

ASIA/PACIFIC

At First U.S. Stop, Zhu Sets an Informal, Humorous Tone

By Joseph Kahn
New York Times Service

LOS ANGELES — China's prime minister, Zhu Rongji, started his visit to the United States determined to defuse rising tensions between the two countries with a businesslike agenda, trade concessions and an ample supply of good humor.

Mr. Zhu, who runs China's government on a day-to-day basis but ranks third in the Communist Party hierarchy, is at age 70, the sprightly star of China's taciturn leadership team. This trip promises to test his often-praised skill for communicating with the West as good-will in U.S.-China relations, which was affirmed with President Bill Clinton's visit to China last June, has all but given way to restrained hostility.

Mr. Zhu wasted no time setting the tone. Moments after stepping off his plane Tuesday, he jumped a security line

to shake hands and exchange pleasantries with reporters. In the process, he firmly pushed aside one of his guards, a possibly calculated gesture of defiance to the decorum that Chinese leaders almost always observe during public ceremonies.

Mr. Zhu's nine-day, six-city tour will be slightly longer than a state visit in 1997 by his boss, President Jiang Zemin, but is due to be far less ceremonial.

Besides attending to the terms of China's entry into the World Trade Organization, he has scheduled numerous meetings with business and banking leaders around the country, and he will seek to address nearly every major issue in bilateral relations, including China's human-rights record, its environmental pollution, its huge trade surplus with the United States and charges that its agents have pilfered American military secrets.

During a brief stop in Los Angeles, Mr. Zhu met with civic leaders and rep-

resentatives of the local Chinese-American community, the largest in the country. He also had a private meeting with Michael Eisner, chairman of Walt Disney Co., which is considering two Chinese cities, Hong Kong and Shanghai, as possible sites for the next Disneyland in Asia.

Bone-chilling drizzle and scattered protests by people seeking independence for Tibet and Taiwan marred Mr. Zhu's arrival. So did his tardiness at a lunch at the Century Plaza Hotel, where civic and business leaders waited more than an hour past the appointed time for Mr. Zhu to take his place on the podium.

But those setbacks did nothing to shake the prime minister's upbeat message. In fact, he used them as fodder for a stream of self-deprecating jokes that are his trademark.

"God does not welcome me that much because it's raining today, and I know that it was very sunny here yesterday,"

he said at the start of his luncheon remarks.

Speaking in Chinese entirely without notes and with scant trace of the boilerplate phrases about friendship and warm relations that usually dominate Chinese diplomatic statements, Mr. Zhu used much of his opening speech as an apology for his late arrival.

He chided Mayor Richard Riordan of Los Angeles and Governor Gray Davis of California, saying they had to shoulder at least "half the blame" for his lack of punctuality. Both men had arranged telephone calls with Mr. Zhu and used that time to raise weighty issues, he said.

"They asked so many questions, and I could not refuse to answer," he said.

The mayor, he said, pressed him on China's gaping trade surplus with the United States. China exported \$57 billion more than it imported from the United States last year, giving it the second-

largest trade surplus with the United States, after Japan. Mr. Zhu said he had prepared a speech on the issue for delivery next week at the Massachusetts Institute of Technology but had no choice but to indulge Mr. Riordan's curiosity.

The prime minister then teased Mr. Davis for expanding the 10-minute call into a 30-minute debate on human rights.

"I explained that to do this properly we should start with Rousseau and the human-rights declaration of the United States," Mr. Zhu said to laughter. "I spent a long time explaining my views. But whether or not he is satisfied, I don't know."

Whether such banter will do much to soften the criticism of China's policies heard from many members of Congress, religious groups, labor unions and national-security experts remains to be seen. But Mr. Zhu seemed primed to disarm hostile audiences.

Church Massacre Toll 25, East Timor Bishop Says

Compiled by Our Staff From Dispatches

LIQUICA, East Timor — At least 25 people were shot or hacked to death in a massacre Tuesday by anti-independence militia fighters backed by the Indonesian army, Bishop Carlos Belo, the Nobel peace laureate who is East Timor's spiritual leader, said Wednesday.

In an emotional news conference after he inspected a church where the killings took place in the town of Liquica, the Roman Catholic bishop condemned the violence, saying he was "astounded to be an Indonesian."

Bishop Belo said the death toll had been confirmed in a letter from East Timor's military commander, Colonel Tono Suratman, who accompanied him with journalists to Liquica under heavy guard on Wednesday.

The Reverend Rafael dos Santos, Liquica's parish priest, said hundreds of armed militia members fired at about 2,000 terrified villagers cowering in his house and the church. Hundreds fled when security personnel released their gas.

"When they ran outside they were chopped down by the militias with swords," the priest said.

Dozens of Indonesian police officers fired into the air or simply watched the carnage take place, he said.

The priest said he saw only two dead victims, an old man and child, both badly mutilated. But he quoted witnesses as saying that an army truck later made three visits to the site to take away bodies.

The ground outside the church and inside the priest's house remained splattered with blood Wednesday.

In Jakarta, the rebel commander Xanana Gusmao said his supporters had been "killed like animals." He accused the military of trying to cover up the

extent of the killings.

Escalating violence in the former Portuguese colony has undermined UN plans to hold a July ballot for East Timor's people on whether to remain part of Indonesia as an autonomous state or to break away altogether. After the killings Tuesday, Mr. Gusmao called for "a general popular insurrection" in East Timor.

"I can say that this is a massacre," Bishop Belo said. "We are entering the third millennium, but after this incident we are back in the Middle Ages."

The bishop, speaking at his home in Dili, East Timor's capital, called for calm and demanded that President B.J. Habibie investigate Tuesday's violence, the latest in a string of clashes between armed groups either for or against independence from Indonesia. It annexed East Timor, formerly Portuguese, as its 27th province in 1976.

The bishop, who won the 1996 Nobel Peace Prize, also demanded that the international community help prevent more violence in the territory.

Portugal's envoy to Indonesia, Ana Gomes, called for an international inquiry after meeting with Mr. Gusmao, who is under house arrest, in Jakarta.

"We feel an international investigation would be necessary to establish what happened in Liquica," she said.

"An international presence is absolutely necessary in East Timor," she said, "to calm the tension and to deter the violence, from whoever is intending to launch it."

Mr. Gusmao, through his lawyer, on Tuesday also called for a UN peacekeeping force in East Timor to halt the violence. But the Indonesian military commander, General Wiranto, rejected the call, insisting that problems in East



Members of a militia group opposed to independence patrolling with makeshift weapons near the massacre scene.

Timor were "internal concerns."

In New York on Tuesday, the United Nations also rejected the calls for a peacekeeping force, but it expressed concern over the violence.

President Jorge Sampaio of Portugal accused Indonesia of seeking to cripple efforts toward finding a negotiated solution for East Timor by inciting violence.

He said that Jakarta was arming vigilantes who want East Timor to stay within Indonesia and have been attacking supporters of independence in an attempt to derail negotiated moves toward autonomy.

(AP, Reuters, AFP)

3 Killed by Soldiers on Borneo

At least three people were reported killed Wednesday on the island of Borneo after soldiers fired into a mob demanding the release of fellow villagers arrested by police. The Associated Press reported from Jakarta.

The clash occurred after thousands of villagers forced their way through a military barricade that kept them from marching into Singkawang, a town near the western coast where 70 villagers have been detained, the private SCTV television station said.

It quoted Colonel Chaerul Rasyidi,

chief of the local police, as saying that three people had been killed.

The angry villagers were stopped about five kilometers (three miles) from Singkawang.

The 70 were arrested Monday amid fresh ethnic violence against immigrants from Madura Island by local Dayaks and Malays in Indonesia's West Kalimantan Province. They were captured while attacking Madurese and burning houses in the region.

More than 200 people have been killed in the violence that began in mid-March. Thousands of Madurese have fled their homes.

TRADE: Clinton Gives Strong Push to Admitting China to WTO

Continued from Page 1

year — and an endorsement by Washington would carry great weight at a major meeting of the world trade body in November.

U.S. officials say progress has been made in intense bilateral negotiations on trade sectors such as agriculture and telecommunications, but they also say that a breakthrough allowing announcement of an overall agreement during Mr. Zhu's visit appears unlikely.

If the White House does fully endorse Chinese membership, it would still face a congressional hurdle: Congress would have to approve permanent most-favored-nation trading status for China. For years, the annual renewal of this status on a temporary basis has been hotly debated in Congress before passing.

A spokesman for the U.S. trade representative's office declined to comment on what chances there might be for an agreement during Mr. Zhu's visit.

"The fact Zhu is in town will not force our hand," the spokesman said. "We're willing to negotiate beyond his visit."

If Washington and Beijing do settle their bilateral differences, that still leaves many other countries, including the 15 European Union members and Canada, to work out their own packages on trade in goods and services with the Chinese. But an agreement in Washington "will inject confidence and momentum into negotiations," a European Commission official, Hiddo Houben, told Reuters. "People will think that if the U.S. is satisfied, then other countries will negotiate to try and come to a conclusion fairly rapidly," he said.

In his speech, Mr. Clinton said that China was following a politically perilous path toward adopting reforms clearly in the U.S. interest.

Mr. Clinton warned American politicians "in a political sense" not to revert to a Cold War mentality toward China because of controversies over human rights, trade and alleged spying at U.S. nuclear laboratories.

He displayed unusual empathy with the problems facing the Beijing leadership as it attempts broad economic reforms, saying that the Chinese were just as wary of U.S. intentions as Americans were of the Chinese.

The leadership under Mr. Zhu and President Jiang Zemin is "committed to making necessary, far-reaching changes," Mr. Clinton said, by working to reform banks and state enterprises and fight corruption.

But Beijing labors under grave fears that reform, in the short run, will bring higher unemployment, leading in turn to unrest, he said.

The United States, Mr. Clinton said, must seek to bolster the cause of reform but realize that China is coping with "the kinds of problems a society can face when it is moving away from the rule of fear but is not yet firmly rooted in the rule of law."

"We can't do that," he said, "simply by confronting China or trying to contain her."

China is depicted by some Americans as a huge economic opportunity, by others as a looming military threat. Mr. Clinton said. It has the resources to take the latter road, he said, but it is "far from inevitable" that China will choose this path.

"We should not make it more likely that China will choose this path by acting as if that decision had already been made," he said.

Even while remaining prepared if China chooses the militaristic path, Mr. Clinton said, "Let us not forget the risks

of a weak China, beset by internal conflicts, social dislocation and criminal instability."

Offers to Reduce Barriers

Paul Blustein of The Washington Post reported earlier:

In the weeks leading up to Mr. Clinton's speech, China's negotiators continued making offers to reduce major trade barriers before Mr. Zhu's arrival in Washington.

China has come close to meeting U.S. demands to open its markets to key agricultural products, according to people familiar with the talks.

In Los Angeles, where Mr. Zhu arrived Tuesday, he announced that China would lift barriers to U.S. citrus fruit and wheat from the Pacific Northwest. Beijing has restricted imports of citrus fruit because of concerns about infestation by the Mediterranean fruit fly and has restricted wheat shipments because of a mold problem.

Those restrictions have been a major source of irritation for U.S. agricultural producers and a big sticking point in the World Trade Organization talks.

But U.S. officials and industry sources familiar with the negotiations said the Chinese had moved far toward satisfying the demands of U.S. industries and producer groups. Beijing has tentatively agreed that its import quotas and license requirements, which have applied to thousands of products, would be scrapped except on all but a handful of goods.

China has also offered to lower tariffs, which currently average about 17 percent, to an average of about 10 percent, officials said, although it is talking about lowering tariffs as far as the U.S. side wants on chemicals, pharmaceuticals and a few other products.

[A White House official said Wednesday that the United States and China would sign a civil aviation pact Thursday that would double passenger and cargo flights between the two countries, news agencies reported.]

[Lael Brainard, a White House official who specializes in international economic issues, said the agreement would allow a fourth U.S. airline to enter the Chinese market and enable more U.S. cities to have direct air service to China.]

In Beijing, state media said China Telecom, the country's largest telecommunications organization, was to be broken into four companies in a major step toward opening up to market competition. Agence France-Presse reported. The opening of the sector had been another sticking point in the talks on WTO membership.]

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Europe

City	Today	High/Low	Forecast
London	55/70	70/75	Cloudy
Paris	55/70	70/75	Cloudy
Amsterdam	55/70	70/75	Cloudy
Berlin	55/70	70/75	Cloudy
Rome	55/70	70/75	Cloudy
Moscow	45/55	55/60	Cloudy
Delhi	85/95	95/100	Sunny
Calcutta	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coimbatore	85/95	95/100	Sunny
Bangalore	85/95	95/100	Sunny
Chennai	85/95	95/100	Sunny
Hyderabad	85/95	95/100	Sunny
Bombay	85/95	95/100	Sunny
Coim			

THE AMERICAS

U.S. Halts Nuclear Lab Computers

By James Risen
New York Times Service

WASHINGTON — The Energy Department says it has suspended all scientific work on the computers containing America's most sensitive weapons secrets at its three nuclear weapons laboratories over fears that security lapses make the computers vulnerable to espionage.

Energy Secretary Bill Richardson said he ordered the suspension Friday as part of an effort to improve security following allegations that China has stolen nuclear secrets from the labs.

Thousands of scientists and other researchers at the Los Alamos, Sandia and Lawrence Livermore national laboratories who rely on the classified computer networks have been forced to drop their work and instead attend new training sessions on computer security, Energy Department officials said.

The computers are connected together in networks but are not linked to the outside world. Since the United States stopped testing nuclear weapons, the work of modeling the reliability of weapons designs has been done with these networks.

One security flaw, according to officials, is that secret information about nuclear weapons can be copied from the sensitive computers onto a computer disk

and then sent as electronic mail among the thousands of e-mails that leave the laboratory through separate, unclassified computer systems. One proposal is to "make it physically impossible to transfer classified information from a classified computer to an unclassified computer," according to a statement released Tuesday by Los Alamos officials.

Mr. Richardson said he would not allow normal computer operations, except those needed to ensure safety, to resume until he was satisfied that security had been improved.

"The message is that I am dead serious about strengthening security at the labs," he said. "Our computer security has been lax, and I want to strengthen it, and the only way to do that is to stand down. I want to demonstrate to Congress and the American people we are serious about upgrading computer security at the labs and that there will never be another lapse."

The decision to suspend all work on sensitive computer networks at the three laboratories is one of the most pointed actions taken by the Clinton administration since the furor erupted last month over allegations of Chinese atomic espionage.

It also follows an internal review by the Energy Department, owner of the labs, which determined that security measures at Los Alamos and Lawrence Livermore were subpar. Los Alamos and

Lawrence Livermore both received "marginal" security ratings, while Sandia received a satisfactory rating, according to the report released last week. The report cited Los Alamos management for failing to "ensure that members of their organization implement, support and follow safeguards and security policies and procedures."

The classified computer networks at the weapons labs are not connected to the Internet, and they are thus not supposed to be vulnerable to hacking by outsiders. The possibility of secret data being downloaded from the classified networks and then entered into the unclassified network and e-mailed to the outside is a key security concern, according to one U.S. official.

The lab plans to impose new audit procedures on unclassified computer systems in order to control sensitive information. Los Alamos will also require that two people be involved in the transfer of files from classified computers.

But John Browne, lab director at Los Alamos, cautioned that the labs cannot allow security to become so stringent that it prevents them from accomplishing their objectives. "We have to look at risks from classified computers and put in place additional procedures that make sense," he said. "We can't raise the bar so high we can't get any work done. That affects national security too."

Away From Politics

Mayor Rudolph Giuliani of New York is distributing cards to police officers instructing them to be a little more polite in their dealings on the street. The wallet-size cards recommend that officers "use terms such as 'Mr.' 'Ms.' 'Sir' or 'Ma'am,'" and "respect each individual, his or her cultural identity, customs and beliefs." (NYT)

A San Francisco judge cut in half a landmark \$50 million punitive damages award against Philip Morris Cos., but excoriated the tobacco giant and denied its request to retry the case of a former Marlboro smoker who contracted lung cancer. (LAT)

Louis Farrakhan is recovering well from surgery and is ready to leave the hospital, according to his supporters and doctors, who held a news conference Tuesday in Washington following reports that the 65-year-old Nation of Islam leader was seriously ill. (WP)

A white couple has filed a malpractice lawsuit in New York against the doctors they say were responsible for an embryo mix-up that resulted in the wife giving birth to a black baby when she delivered twins. (AP)

A manhunt for the killers of three tourists in Yosemite National Park is focusing on a cadre of prison parolees with a history of sex offenses, drug arrests and weapons convictions. (LAT)

Smoking Risk Starts Early

Young Lungs Found to Be Especially Vulnerable

By Denise Grady
New York Times Service

NEW YORK — Smoking during childhood or adolescence may lead to lasting or even permanent genetic damage in the lungs that increases the risk of lung cancer, even after the smoker quits, researchers said in findings published Wednesday.

The developing lungs of young people may be especially vulnerable to cigarette smoke, the scientists found. They said their research linked the amount of damage to the age when people started smoking, regardless of how many years they smoked or how recently they had quit.

The scientists, from the University of California at San Francisco School of Medicine, said the findings were particularly alarming, given the number of teenagers who smoke.

"If we're right," said Dr. John Wiencke, who led the research effort, "it says that something happens in adolescence that changes you, perhaps forever."

The findings, published in the Journal of the National Cancer Institute, are based on an analysis of blood and tissue from 143 lung cancer patients. The researchers looked for alterations in DNA that are known to be caused by tobacco and to be linked to cancer. Levels of

alterations, called DNA adducts, were lowest among patients who had never smoked. In former smokers, they were somewhat higher, and in people who still smoked, higher still. But in ex-smokers, the highest levels were found in those who started smoking as children or teenagers, regardless of when they quit.

The study did not compare the patients' adduct levels to those of people who do not have lung cancer. Nevertheless, other researchers said it was an important and surprising finding.

Dr. John Minna, a lung cancer specialist and director of the Hamon Center for Cancer Research at the University of Texas Southwestern Medical Center, said the DNA adducts measured by the researchers were a good indicator of the genetic damage caused by smoking.

"Right now about half of new lung cancer cases are occurring in former smokers," Dr. Minna said. "If it turns out that a very brief period of smoking during adolescence, or starting then, will have this long-lasting effect in terms of cancer development, even if you stop at a young age, that is absolutely frightening."

Cancer experts had thought that smokers who began as children or teenagers had higher cancer rates simply because they had been smoking longer. The new findings, Dr. Minna said, "suggest something entirely different."

Missouri Votes to Keep Concealed Weapon Ban

The Associated Press

JEFFERSON CITY, Missouri — Voters in Missouri have decided to keep the state's ban on carrying concealed weapons, despite a \$3.7 million campaign by the National Rifle Association.

With 99 percent of the votes counted early Wednesday, Proposition B, which would have lifted the ban, had failed, 52 percent to 48 percent, or 674,378 votes to 625,689 votes.

Opponents said voters were not swayed by the gun lobby's pitch.

"Missourians have said they just do not want guns carried into football games and bars and schools," said Harry Wiggins, a state senator from Kansas City who opposed the measure.

The referendum Tuesday was the first time a state had put the question of concealed weapons before voters. Thirty-one other states allow citizens to carry concealed guns, but those measures were enacted by legislators.

Missouri banned concealed weapons in a crackdown on gunslinging in 1875, when the bandit Jesse James was still at large. He was shot to death seven years later in St. Joseph by a member of his gang.

Under Proposition B, state residents would have needed a second permit to carry a concealed weapon. Applicants for a permit would have had to have records free of violent offenses for at least five years, to undergo criminal and mental-health background checks and to take at least 12 hours of state-approved training.

Supporters had said allowing law-abiding residents to pack guns would keep crime rates low. Critics had said Proposition B would put guns on the streets and lead to more firearm violence because of the requirements on training, eligibility and a permit applicant's past history of violence.

Although the measure was approved in 91 mostly rural counties, it failed by wide margins in St. Louis and Kansas City.

Nearly three out of four voters in St. Louis and a similar percentage in the city's suburbs rejected the proposal. In Jackson County, which includes Kansas City, 61 percent voted "no."

The NRA paid for 700,000 mailings, 60,000 yard signs and huge advertising buys on television and radio.

POLITICAL VOICES

Bush's High-Octane Fund Drive

WASHINGTON — Governor George Bush of Texas is assembling the most ambitious Republican presidential fund-raising effort ever, hoping to raise \$20 million more than the previous record by capitalizing on his father's national money network, his own contribution-rich Texas base and financial aid from his fellow governors.

The Bush mobilization has featured a procession of more than 400 fund-raisers — a who's who of the Republican rich and powerful — flying to Austin to hear his pitch. Former President George Bush is making phone calls for his son and Tuesday night headlined the campaign's first fund-raiser. And the Bush team is courting the top money men with a special program, "The Pioneers," for those who pledge to bring in \$100,000 within a few months. Sources said more than 200 people had already signed up.

Much of the \$50 million Mr. Bush wants to collect will be raised by the end of this year, in a nine-month dash fueled by his desire to capitalize on his front-runner status and a front-loaded 2000 primary calendar that will see the Republican nomination decided by March. The Texan's strategy is also premised on the prospect of a Democratic rival, Vice President Al Gore, who has embarked on his own plan to break the fund-raising record. (WP)

Gore Runs Into Unfriendly Ads

LOS ANGELES — Vice President Al Gore has concluded another whirlwind trip through California by rounding up more political cash, showcasing his views on education and getting his first taste of just how intense the battle for votes in this huge state will be in the 2000 presidential campaign. For proof of that, he had to look no further than the nearest television set.

Already, the kind of political advertising that often makes or breaks candidates trying to win over California's approximately 33 million residents has begun, earlier than ever.

After campaign-style events Monday, Mr. Gore traveled Tuesday to the computer corridor of Silicon Valley and was greeted for the first time by ads mocking his recent claim that he played a vital role in creating the Internet. The ads, paid for by the Republican Leadership Council, are running 50 times a day this week on the four major networks in the San Francisco Bay area.

And 55 Silicon Valley executives who are Republican bought a full-page ad in the San Jose Mercury News praising Governor George Bush's education record. (WP)

Quote/Unquote

Dan Payne, a Boston political consultant, on a plan to allow Democratic Party donors of \$100,000 to spend a weekend, but not the night, at the Kennedy family compound in Hyannis Port, Massachusetts: "It's sort of irresistible, if you can afford it, to get a peek into how the affray family lives and plays. For some people, an affiliation with the Kennedys is sort of a life goal." (AP)



Willard Inter-Continental, Washington, D.C.

While everyone was debating
the idea of the Global Village,
we were building it.

One World. One Hotel.
Uniquely Inter-Continental.



INTER-CONTINENTAL®

HOTELS AND RESORTS

www.interconti.com

NORTH AMERICA
CANCUN
CHICAGO
CLEVELAND
COZUMEL
DALLAS
GUADALAJARA
JACKSONVILLE
LOS ANGELES
LOS CABOS
MEXICO CITY
MIAMI
MONTREAL
NEW ORLEANS
NEW YORK
PUERTO VALLARTA
SAN FRANCISCO
TORONTO
WASHINGTON, D.C.

LATIN AMERICA
BOGOTA
BUENOS AIRES
CALI
CARACAS
CIUDAD GUAYANA
MANAGUA
MARACAIBO
MEDELLIN
PANAMA CITY
RIO DE JANEIRO
RIONEGR
SAN JOSE
SAN PEDRO SULA
SAN SALVADOR
SANTIAGO
SAO PAULO
VALENCIA

EUROPE
AMSTERDAM
ASTANA
ATHENS
BARCELONA
BELGRADE
BERLIN
BRATISLAVA
BRUSSELS
BUCHAREST
BUDAPEST
CANNES
CRACOW
EDINBURGH
FRANKFURT
GENEVA
THE HAGUE
HAMBURG
HANNOVER
HELSINKI
ISTANBUL
KEMER
KIEV
LEIPZIG
LJUBLJANA
LONDON
LUXEMBOURG
MADRID
MALTA
MONTREUX
MOSCOW
MUNICH
NICOSIA
PARIS
PRAGUE
ROME
STUTTGART
TASHKENT
TEL AVIV
VIENNA
WARSAW
ZAGREB
ZURICH

ASIA/PACIFIC
BALI
BANGKOK
BROOME
COLOMBO
HONG KONG
MANILA
NEW DELHI
PHNOM PENH
SEOUL
SHENZHEN
SINGAPORE
SYDNEY
TAIPEI
TOKYO
YOKOHAMA

MIDDLE EAST
ABHA
ABU DHABI
AL AIN
AL JUBAIL
AMMAN
ASMARA
BAHRAIN
BEIRUT
CAIRO
DUBAI
HURGHADA
JEDDAH
MADINAH
MAKKAH
MUSCAT
PETRA
RIVADH
TAIF

AFRICA
ABIDJAN
CAPE TOWN
DURBAN
FRANCISVILLE
JOHANNESBURG
KINSHASA
KRUGER NATIONAL PARK
LIBREVILLE
LUSAKA
NAIROBI
VICTORIA FALLS
*FORUM HOTEL

*Member Global Partner
Hotels & Resorts

EUROPE / INTERNATIONAL

Russian Prosecutor Takes His Case To Parliament — and They Listen

He Accuses Yeltsin Aides of Thwarting His Corruption Investigation

By Michael Wines
New York Times Service

MOSCOW — The Communist-controlled lower house of Parliament listened raptly and with obvious pleasure on Wednesday as a rebellious criminal prosecutor accused President Boris Yeltsin's aides of trying to derail for political reasons his inquiry into high-level corruption at the Kremlin.

The prosecutor, Yuri Skuratov, said little that has not been said before in the long-running battle between himself and Mr. Yeltsin, who has now fired him twice. But neither did he do anything to erase an ominous sense that the struggle had gained a life of its own, and that Mr. Yeltsin — and the nation — are headed into a political crisis of uncharted depth with no clear outcome.

That was only underscored by the forum. The lower house of Parliament, the State Duma, is where legislators will decide next week whether to impeach Mr. Yeltsin on charges stemming from the collapse of the Soviet Union and the subsequent withering of its economy and democracy.

In his brief speech to Parliament, Mr. Skuratov said the controversy surrounding his inquiries had "gone beyond the framework of the personal and concerns the destiny of law and order in the country."

"One cannot but notice that there is now a clearly visible process of remov-

ing undesirable — more important, people of principle — in the power structures," he said. "It is impossible to say exactly what methods and financial means will be used to further discredit me and to further obstruct the prosecutor's office in its fight against corruption."

Mr. Skuratov, an ally of the Communists who hope to impeach Mr. Yeltsin, was seen as a rather undistinguished prosecutor until the president fired him in February, only to see the Parliament unexpectedly overrule his decision.

He has since become not just a rallying point for opposition to the president, but something of a martyr. Mr. Skuratov has said little specific about official corruption, beyond hinting that high officials benefited from contracts for Kremlin repair work given to a Swiss firm called Mabotex.

But an apparent effort to discredit him by broadcasting a video tape on state television of his involvement with two prostitutes produced a backlash which forced Mr. Yeltsin to fire the official said to be responsible for the broadcast.

Mr. Yeltsin decreed last week that Mr. Skuratov was suspended pending the outcome of a criminal investigation of the affair with the prostitutes, who were hired — according to some reports — by a banker seeking to thwart inquiries into his own misdeeds.

But Mr. Skuratov struck back this week. His office issued warrants for the arrest of Boris Berezovsky and Mikhail

Smolensky, two of the business tycoons known as oligarchs who amassed fortunes during Mr. Yeltsin's early days as president and were important backers of his 1996 reelection campaign.

Both men are outside Russia and beyond the reach of Russian law, at least for now. Mr. Berezovsky said Wednesday that he planned to return to Russia next week.

In his appearance at Parliament, Mr. Skuratov charged that the investigation of his supposed involvement with prostitutes was itself illegal, ordered in the dead of night by someone in Mr. Yeltsin's office.

The Moscow city prosecutor, Sergei Gerasimov, seemed to confirm that, saying one of his aides had been summoned to presidential offices during late hours last week and given statements from the prostitutes which formed the basis for an inquiry.

Interior Minister Sergei Stepashin gave an entirely different view. He warned that outsiders "should not confuse concrete criminal cases with political moves," and argued that Mr. Yeltsin had legal authority to suspend Mr. Skuratov while an inquiry is in progress.

Berezovsky Vows to Return

Mr. Berezovsky pledged to be "in Moscow next week," in response to the warrant for his arrest on allegations that he laundered hundreds of millions of dollars from the airline Aeroflot. Agence France-Presse reported from Paris.



The prosecutor, Yuri Skuratov, addressing the State Duma on Wednesday. He has become a rallying point for opposition to Mr. Yeltsin.

"To hide out in Paris, if that's what you could call it, is not the proper solution," Mr. Berezovsky said at a news conference at the Hotel Crillon. "What is needed is a symbolic act to underline that right will prevail," he added. Mr. Berezovsky controlled Aeroflot

BRIEFLY

Ukraine Schedules Presidential Vote

KIEV — The Ukrainian Parliament on Wednesday set the date of the first round of the presidential election this year for Oct. 31, the Interfax news agency reported.

Early this year, opinion polls showed that the incumbent, President Leonid Kuchma, was the front-runner and had strong media backing. But nine out of 10 Ukrainians are dissatisfied with the economy, and more than half favor a return to socialist economic policies, a 1998 poll found. (AFP)

Briton Pleads Guilty To Store Bombings

LONDON — A 61-year-old unemployed man pleaded guilty Wednesday to bombing branches of a supermarket chain and a bank in an attempt to extort money.

Edgar Pearce admitted that he was the so-called Mardi Gras bomber, believed to have masterminded a string of 36 attacks over four years aimed at J. Sainsbury PLC stores and branches of Barclays Bank PLC.

Although only one person was seriously injured by the devices, the police feared that the attacker was prepared to cause injury and death.

Mr. Pearce pleaded guilty to 20 charges of blackmail and illegally possessing firearms and explosives. He will be sentenced later. (AP)

Finn Parties Clash At Coalition Talks

HELSINKI — Negotiations to form a new government in Finland began Wednesday with a clash between the dominant Social Democrats and their erstwhile coalition allies, the Conservatives, over trade union influence.

The Conservatives said they were worried that the Social Democrats were pushing an unacceptable, trade union-inspired agenda.

The tension came as the Social Democrats' prime minister-designate, Paavo Lipponen, met with party leaders seeking to form a new coalition. (Reuters)

Explosive Set Off Near Franco Tomb

MADRID — An explosive device went off Wednesday in a church housing the remains of General Francisco Franco, igniting a fire, news reports said. There were no immediate reports of injuries.

Before the blast, a caller claiming to represent a leftist group told the newspaper El Pais there would be an explosion at the Valley of the Fallen, a cavernous basilica and monument carved into the side of a hill about 50 kilometers (30 miles) northwest of Madrid. Franco's tomb is near the church's main altar.

The complex, which features a huge cross rising up from the hill, was built in memory of the Franco-led fascist forces that won Spain's 1936-39 Civil War. (AP)

Swiss Plan to Sign Genocide Accord

BERN — The Swiss cabinet announced its intention Wednesday to sign the international Genocide Convention as the first Swiss army helicopter arrived in Albania to help aid Kosovo refugees.

The cabinet said the move had particular importance "due to recent events."

There are 129 states currently party to the Genocide Convention, which was created after World War II. It forbids genocide either in peace or war and obliges nations to prevent or stop genocide. (AP)

Kosovo Conflict Threatens Unity of Germany's Social Democrats

By John Schmid
International Herald Tribune

FRANKFURT — Chancellor Gerhard Schröder has been working to keep his Social Democratic Party united behind NATO's air strikes against Yugoslavia, but dissent on the issue has emerged inside his party in advance of a special party congress Monday.

Opponents of NATO's bombing campaign have prepared at least two resolutions that call for an immediate halt to the military action.

"We do not believe that bombs are helping," said Detlef von Larcher, who leads a left-wing party faction called the Frankfurt Circle, which will submit one of the motions at the congress.

In Bremen, meanwhile, the party's branch will submit a resolution seeking an "immediate halt to military actions."

The conflict in Yugoslavia's province of Kosovo

now seems certain to dominate the party congress in Bonn, which Mr. Schröder announced a month ago to formalize his appointment as the party's new chairman.

The original agenda, drafted before the raids began, was expected to run smoothly, with Mr. Schröder's trademark relish for carefully scripted television events.

A party spokeswoman, Marias Stieglitz, said the 300 delegates may never get the chance to vote on the anti-NATO motions because the deadline to submit such resolutions had already passed.

Party rules permit a cumbersome procedure to push last-minute resolutions onto the agenda, but other party sources said Mr. Schröder would exploit technicalities in the party rules to water down the resolutions or influence the outcome of a floor vote.

Even without formal votes, the nationally televised congress is shaping up as a potentially emo-

tional display of NATO opposition within Germany's governing party.

Before Mr. Schröder gives his keynote speech, the chancellor will allow speakers to air their views on Kosovo, Ms. Stieglitz said. "Essentially anyone can speak," she said.

Reacting to almost daily criticism within his party, Mr. Schröder late Tuesday issued a statement to announce that the congress would open itself to a "detailed" and "intensive" debate over Kosovo.

A speech on Kosovo by Defense Minister Rudolf Scharping, a staunch NATO supporter, has been added to the all-day agenda.

"Feud at the Party Congress?" a Bild headline asked Wednesday.

German fighter pilots have flown their first combat missions since World War II, sparking a soul-searching debate among the remaining adherents of Germany's once-powerful peace movement.

But public opinion continues to support Mr. Schröder.

A poll by the Forsa Institute this week showed 63 percent of Germans supported NATO's actions. Mr. Schröder is still drafting his speech, a party official said, but it is expected to highlight Germany's leading role in humanitarian aid to the Kosovo refugees.

He is also expected to express sympathy with the pacifists, saying no one welcomed the military option.

Gernot Erler, Mr. Schröder's deputy whip in the Bundestag, this week promised a "struggle" over the Kosovo issue. Mr. Schröder must press his case more convincingly to the party's skeptics, Mr. Erler said.

The Greens party, Mr. Schröder's junior coalition partner, has announced a national party congress in May to debate Kosovo. The Greens grew out of the Cold War pacifist movement.

India's Nationalist Party Fights To Keep Shaky Coalition Alive

Agence France-Presse

NEW DELHI — The governing Hindu nationalist party lobbied for support Wednesday to ensure the survival of its minority coalition in the face of mounting opposition moves to topple the government.

Jagdish Prasad Mathur, a spokesman for Prime Minister Atal Behari Vajpayee's rightist Hindu Bharatiya Janata Party, said the resignation of two ministers belonging to the alliance's second biggest partner would not dislodge the government.

"We are in touch with individuals, political parties and groups," he said. "The response has been very positive and we have received expressions of support." He declined to give details.

Home Minister Lal Krishna Advani, the cabinet No. 2, conceded Wednesday that the coalition was shaky.

Mr. Advani said: "Our problem is not our allies or our own party but our arithmetic in Parliament. This problem has been there since we came to power." He added that people had been predicting the government's collapse for more than a year. "But they were disappointed earlier and will be disappointed now," he said.

India's biggest Communist Party offered late Tuesday to support the main opposition Congress (I) Party if it staked a claim to power. Congress sources said

it was eager for fresh elections, hoping to be elected with a majority.

The crisis was triggered by the resignation Tuesday of two federal ministers from the government. Both are members of the regional All India Anna Dravida Munnetra Kazhagam Party, headed by Jayalalitha Jayaram, a former actress.

The move to pull out the ministers, whose resignation has yet to be accepted by Mr. Vajpayee, is widely seen as a prelude to Miss Jayaram's party withdrawing from the coalition.

Her party, which has 18 members in the ruling alliance, could bring down the 13-month-old government by withdrawing. Sources close to Mr. Vajpayee said in that event, the coalition would fall short of a simple majority in Parliament by 15 seats.

Miss Jayaram, who first attacked Mr. Vajpayee over the sacking of a navy chief and demanded the ousting of Defense Minister George Fernandes, later trained her guns on reported moves by the government to offer its 50 percent stake in India's largest carmaker to a Japanese firm.

Late Tuesday, the charismatic actress launched a blistering attack on Mr. Vajpayee, Mr. Advani and Mr. Fernandes, accusing them of failing to check Muslim "terrorists" in southern India backed by the fugitive Saudi billionaire Osama bin Laden.

CROSSWORD

ACROSS

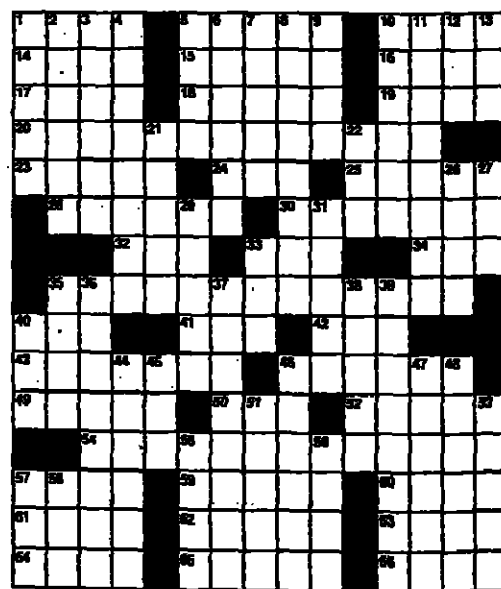
- 1 Orchestra alternative
- 5 Comment around the deck?
- 10 Terrible
- 14 Last words?
- 15 Opposite of sur
- 16 Four-letter word
- 17 Architect Saarinen
- 18 Company whose logo has a red "o"
- 19 Cogitate
- 20 Noted director who acted in 30-Across with 35-Across
- 23 Bud of baseball
- 24 Before, once
- 25 Isle of Man residents
- 26 Brought up
- 28 See 20-Across
- 32 Calif. neighbor
- 33 Midpoint, abbr.
- 34 On a roll
- 35 See 20-Across and 54-Across
- 40 Big
- 41 Link
- 42 Classified info.
- 43 See 54-Across
- 46 Singer Mel and tennismakes
- 49 Napoleon led one
- 50 "Forrest!"
- 52 Park, N.J.
- 54 Noted director who acted in 43-Across with 35-Across
- 57 Drunk's tipoff
- 58 Plant and animal life
- 60 Andrews of "The Mod Squad"
- 61 Money writer Marshall
- 62 "A house — a home"
- 63 Sator
- 64 The rich man in "Rich Man, Poor Man"
- 65 Some guard dogs, for short
- 66 Get better

Solution to Puzzle of April 7

WASP SCAMP ALTO
ARTE YODEL PIER
SCORES BELOW P.A.A.
MAP MORN WELD
UNI SPA DEUCE
PETER OTS SPY
LAUNCHES TAB
PULSACANJOB
ELM DESUNKED
BABA SBUR ESTOP
DYRDS ADZ RUP
EDDY SWEET ITA
TELLEBASADSTORY
GOLE GINZA ADDE
GOAD STEER WEND

DOWN

- 1 Loamy deposit
- 2 Good dog
- 3 Stimming device
- 4 Some English students
- 5 "Room" (Beach Boys hit)
- 6 Spent
- 7 Shady alcove
- 8 Kind of heel
- 9 Push, maybe
- 10 Tabby's mate
- 11 Wisconsin city
- 12 Exciting times in the N.J.T.
- 13 Wolf
- 14 Plume source
- 15 Earlier
- 16 Brave one
- 17 Harden
- 18 1980 Tony winner
- 19 Gluck's "ad Eulidice"
- 20 29-Down role
- 21 Precious
- 22 Not permeated (with)
- 23 Silly
- 24 1938 Physics Nobel
- 25 Campaign asset
- 26 Support provider
- 27 Nigh
- 28 Terre's opposite
- 29 A lonely place, so they say
- 30 Store, as fodder
- 31 Ad dressing?
- 32 Lat
- 33 Successfully
- 34 Power stats
- 35 Tanks
- 36 Certain careers, for short
- 37 Baseball's Brock



© New York Times/Edited by Will Shortz

FOR INVESTMENT INFORMATION

Read THE MONEY REPORT every Saturday in the IHT.

DO YOU LIVE IN THE U.K.?

Subscribe and SAVE up to 53% off the cover price.

Also available: PAY MONTHLY by easy, low cost, direct debit.

HAND DELIVERY IN CENTRAL & GREATER LONDON & PARTS OF THE SOUTH EAST.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office. In Central and Greater London and parts of South East England, the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday.

Unique coverage of the world you live in, brought to you as it changes — daily.

Postal subscriptions are available throughout the UK on the day after publication.

For more information about easy ordering and availability of hand delivery
CALL our Subscriber Customer Service Department:
TOLL FREE: 00800 4 448 7827 (00800 4 IHT SUBS)
or Fax: 0171 987 3459
E-mail: subs@iht.com — Internet: http://www.iht.com

PAYMENT BY MONTHLY DIRECT DEBIT

☐ YES, I'd like to subscribe and have my bank account debited monthly by £19.
Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

☐ YES, I'd like to subscribe and pay for the following term:

☐ 12 months (+ 2 months free): £233
(Saving off cover price: 36%)

☐ Special 2-month trial subscription: £24
(Saving off cover price: 53%)

☐ My check is enclosed (payable to the IHT)

☐ Please charge my:

☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ MasterCard ☐ Visa

Credit card charges will be made in French Francs at current exchange rates.

Card No. _____ Exp. _____

Signature: _____

☐ Please start delivery and send invoice.

Family Name: _____
First Name: _____
Job Title: _____
Mailing Address: ☐ Home ☐ Business _____
City: _____
Postal Code: _____
Telephone: _____
E-Mail Address: _____
Your VAT No (Business orders only) _____

(IHT VAT No 747 320 211 26)
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
I do not wish to receive information from other carefully screened companies. UK14

This offer expires on December 31, 1999
and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:
Delphine Prinselaar, International Herald Tribune,
40 Marsh Wall, London E14 9TP.
Fax: 0171 987 3459 E-Mail: subs@iht.com

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:

EUROPE, MIDDLE EAST & AFRICA Tel: +33 1 41 42 93 61 Fax: +33 1 41 42 93 10

THE AMERICAS Tel: (USA toll free) 1-800-882-2884 Fax: +1 212 755 8785

ASIA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99

Now there's an
airline alliance that
revolves around **you.**



Now there's an alliance that makes international travel easier, and more rewarding, than ever before. With worldwide recognition on five of the world's finest airlines. Access to even more lounges. Smoother transfers. And the ability to earn and redeem frequent flyer miles to even more destinations. All with over 220,000 people at your service to help you enjoy every trip. www.oneworldalliance.com

BRITISH AIRWAYS

American Airlines



Canadian Airlines

CATHAY PACIFIC

QANTAS

oneworld revolves around you.

For specific information on the benefits available to you, contact any oneworld™ alliance airline. American Airlines, British Airways, Canadian Airlines, Cathay Pacific Airways and Qantas are all trademarks of their respective companies.

INTERNATIONAL

Argentine Peak Yields 500-Year-Old Mummies

By John Noble Wilford
New York Times Service

NEW YORK — After climbing to the 22,000-foot summit of a volcano in northern Argentina, archaeologists have found three frozen Inca mummies, 500-year-old remains of a ritual sacrifice, which are so well preserved that blood is still present in the heart and lungs.

The bodies of two girls and a boy were buried beneath 5 feet (1.5 meters) of rock and dirt, amid a cache of statuettes, pottery and ornate textiles associated with human sacrifice in the Inca religion.

They had apparently been frozen since immediately after death. Two of the mummies were in such excellent condition, physicians said, that all their internal organs were intact. It was as if they had died only recently.

Archaeologists and other scholars said that the findings should yield important insights into the religion and the worship of sacred mountains in the Inca empire, which spanned most of the Andes and the western coast of South America at the time of the Spanish conquest in the early 16th century.

They said the mummies and artifacts were even more impressive than the discovery of the Peruvian "Ice Maiden," another frozen body of an Inca sacrifice found in 1995.

The new discovery, made on Mount Llullaillaco, at Argentina's border with Chile, was announced Tuesday by Dr. Johan Reinhard, an American archaeologist and mountaineer who led an American-Argentine-Peruvian expedition

supported by the National Geographic Society.

He described the mummies and other finds at a news conference in Salta, Argentina, and in a phone interview.

"The preservation of the mummies is just fantastic," Mr. Reinhard said. "It's eerie looking at the arms. You can still see the light hair on their arms."

He said they were the best preserved of any mummy he had ever seen. In recent years, he has climbed mountains in Argentina, Chile and Peru and come down with 18 mummies, all apparent sacrifices to the sacred mountains.

Physicians so far could not establish how the three individuals, probably between 8 and 15 years old, met their deaths.

As far as the explorers could determine, the mummies and other offerings to the Inca gods appeared to have been undisturbed through the centuries.

Gold, silver and shell statuettes, from 2 to 7 inches (5 to 18 centimeters) tall, were arranged on the burial platform just as they probably were for the ritual sacrifices. Half of the statuettes were clothed. Other artifacts included pottery, some of it still containing food, and bundles of alpaca textiles that appeared to establish the sacrifice victims as elite members of the society.

"The undamaged female has a beautiful, yellow geometrically designed cover laid over her outer mantle," Mr. Reinhard said. She also wore a feathered headdress.

At about the 17,000-foot level, the expedition found the stone ruins and ceramics of a camp where participants in the rituals presumably stayed before the final ascent to the peak.

"From a scientific point of view," said Dr. Craig Morris, an Andean anthropologist at the American Museum of Natural History in New York City, "these artifacts and the base camp are at least as important as the mummies in determining the meaning of these rituals."

The textiles, for example, were expected to provide clues to the status and ethnic origins of the young people chosen for human sacrifice.

Dr. Richard Burger, an archaeologist of early Andean civilizations at Yale University, said that the preservation of the bodies gave medical scientists an opportunity to conduct more revealing tests of the diet, health and genetics of the victims.

The blood should lead to DNA studies of the genetic composition of these people.

These and other recent discoveries, Mr. Burger said, were important as established cases of *capacocha*, or human offerings, by the Inca because there had been a suspicion that the Spanish conquerors had exaggerated their accounts of such practices, as well as cannibalism and odd sexual mores, to justify their conquests.

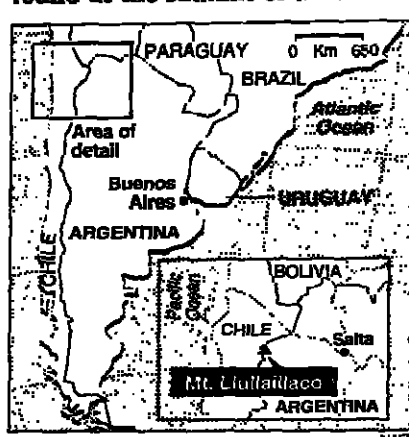
Mr. Reinhard had explored Mount Llullaillaco several times before, mapping ruins and trying the trail to the top. Last month, the expedition battled driving snow and winds near the summit. "We had several days of finding nothing," he said. "I was about to give up."

On March 16, the team found the first burial. One of the workers had to be lowered into a hole by his ankles so that he could pull the mummy out. Then they found the two others.

One of the mummies had been damaged by lightning, but the two others were undamaged.



The face of one of three mummies found at the summit of a volcano.



How the Libyans Were Brought In

Secrecy Shrouded the Operation

By Judith Miller
New York Times Service

UNITED NATIONS, New York — The operation was intricate, complex and above all, secret. No one except Hans Corell, chief legal counsel for the United Nations — not even Secretary-General Kofi Annan — knew the details surrounding the logistics for the surrender of the two Libyan suspects charged with planting the bomb that downed Pan Am Flight 103 over Lockerbie, Scotland.

In interviews, Mr. Annan, Mr. Corell and other senior diplomats described eight months of intense political and logistical maneuvering that produced the breakthrough, ending a decade-long diplomatic impasse and giving the increasingly marginalized United Nations a sorely needed victory.

Mr. Annan disclosed, for instance, that all the legal and logistical problems had been resolved by mid-November. He and Mr. Corell had even already asked Italy to lend the United Nations a Boeing 707 jet on which UN markings were painted.

Mr. Corell had located and interviewed trustworthy pilots, personally approved the flight plan to the Netherlands and recruited doctors and nurses to accompany the two "passengers," as he called them. He had even ordered appropriate food — no ham, shellfish or alcohol, in keeping with Muslim dietary prohibitions — and taken steps to ensure that the food would not be poisoned.

Then Colonel Moammar Gadhafi, Libya's eccentric leader, balked at the deal that he and the Arab League had originally proposed: putting the two suspected intelligence agents on trial in a third country.

So Mr. Annan orchestrated a discreet but relentless political campaign to persuade Colonel Gadhafi, including a hitherto secret appeal by Prime Minister Yevgeni Primakov of Russia. As part of this appeal, the United States assured Libya that the trial would not be used to undermine the colonel's rule.

Mr. Annan said he had realized early in his tenure as secretary-general that Libya was slowly persuading the Organization of African Unity, the Arab League and other countries that the two Libyan suspects, Abdel Basset Ali Megrehi and Lamen Khalifa Fhimah, would never get a fair trial in Britain or the United States.

Chad, Niger and Gambia, among other African states, began flouting the UN sanctions by flying their leaders or senior officials into Tripoli airport. And last summer the 59 members of the Organization for African Unity voted to stop abiding by the sanctions.

Mr. Annan said he realized that if NATO did not find a way forward, the economic sanctions would lose all legitimacy.

At the same time, he said, by rejecting "every Libyan proposal," the United States and Britain "had boxed themselves into a situation of being the stubborn negative ones."

What Mr. Annan called the "first crack" in the impasse occurred last August when first Britain then, more reluctantly, the United States agreed to the Libyan-endorsed Arab League proposal that the two men could stand trial in the Netherlands under Scottish law.

"We ultimately decided," an American official said, "that agreeing to the Libyan proposal of a trial in a third country would box Libya in."

If Colonel Gadhafi agreed, "the impasse would be over," the official said. "If he did not accept a version of his own proposal, he would be embarrassed and ultimately isolated."

Last October and November, UN lawyers led by Mr. Corell and a Libyan legal team led by Kamel Hassan Maghur, a former foreign minister, met quietly at the United Nations over several weeks to "clarify" the many thorny questions: Who would be authorized to defend the Libyans in a Scottish court of law in the Netherlands? Would the suspects be considered "passengers" or "prisoners" on the flight from Libya?

Mr. Corell quietly began preparing for the surrender and transfer. All of the legal issues and arrangements were completed by Nov. 13, Mr. Corell said, but still there was not political decision from Colonel Gadhafi.

"It's one thing to work with the technicians and another to get a political decision," Mr. Annan said. "And we needed a political decision, which is why I went to work."

In early December, Mr. Annan flew to Libya to meet with Colonel Gadhafi. After several hours of one-on-one discussions in the leader's tent outside Sirte, his desert capital, Mr. Annan said, he left convinced that the colonel had realized that a deal "had to be done."

But the Libyan had repeatedly vowed publicly never to turn the suspects over to a foreign court. "So he had to manage his own reality," Mr. Annan said, "and reverse the dynamics he had created."

Taking no chances, Mr. Annan flew from Libya to an Arab summit meeting in the United Arab Emirates, where he enlisted promises of mediation and other support from President Nelson Mandela of South Africa and Crown Prince Abdullah bin Abdulaziz of Saudi Arabia and their emissaries. In the ensuing weeks, he said, he recruited dozens of leaders, including President Hosni Mubarak of Egypt and Mr. Primakov, to urge Colonel Gadhafi to accept the deal.

A U.S. official agreed that Russia, which has opposed American policy on Iraq and Kosovo, had been "very helpful" in resolving the Libyan impasse.

Most of the diplomats interviewed said they began to believe that Colonel Gadhafi would surrender the suspects as promised only after Mr. Mandela announced it on March 19 in a speech at Colonel Gadhafi's side in Tripoli.

Even then, Mr. Corell was so secretive that not even Mr. Annan knew exactly when, where and how the Libyans would be moved.

With Sanctions Lifted, Libyan Airlines Flies

The Associated Press

CAIRO — Libyan Airlines celebrated its new international legality Wednesday by bringing home about 150 pilgrims from Saudi Arabia.

Hours earlier, the airline made its first international flight since the UN air embargo against it was suspended Monday, flying to Malta and back. Libyan Television said, Libya broke the embargo when it flew a group of pilgrims to Saudi Arabia on March 18. It has violated the embargo every year since 1994 to fly its citizens to the annual pilgrimage in Mecca.

The UN Security Council imposed the sanctions in 1992 over an investigation of the bombing of Pan Am Flight 103 in 1988. Libya handed over two suspects in the bombing this week.

Do You LIVE IN THE U.S.A.?

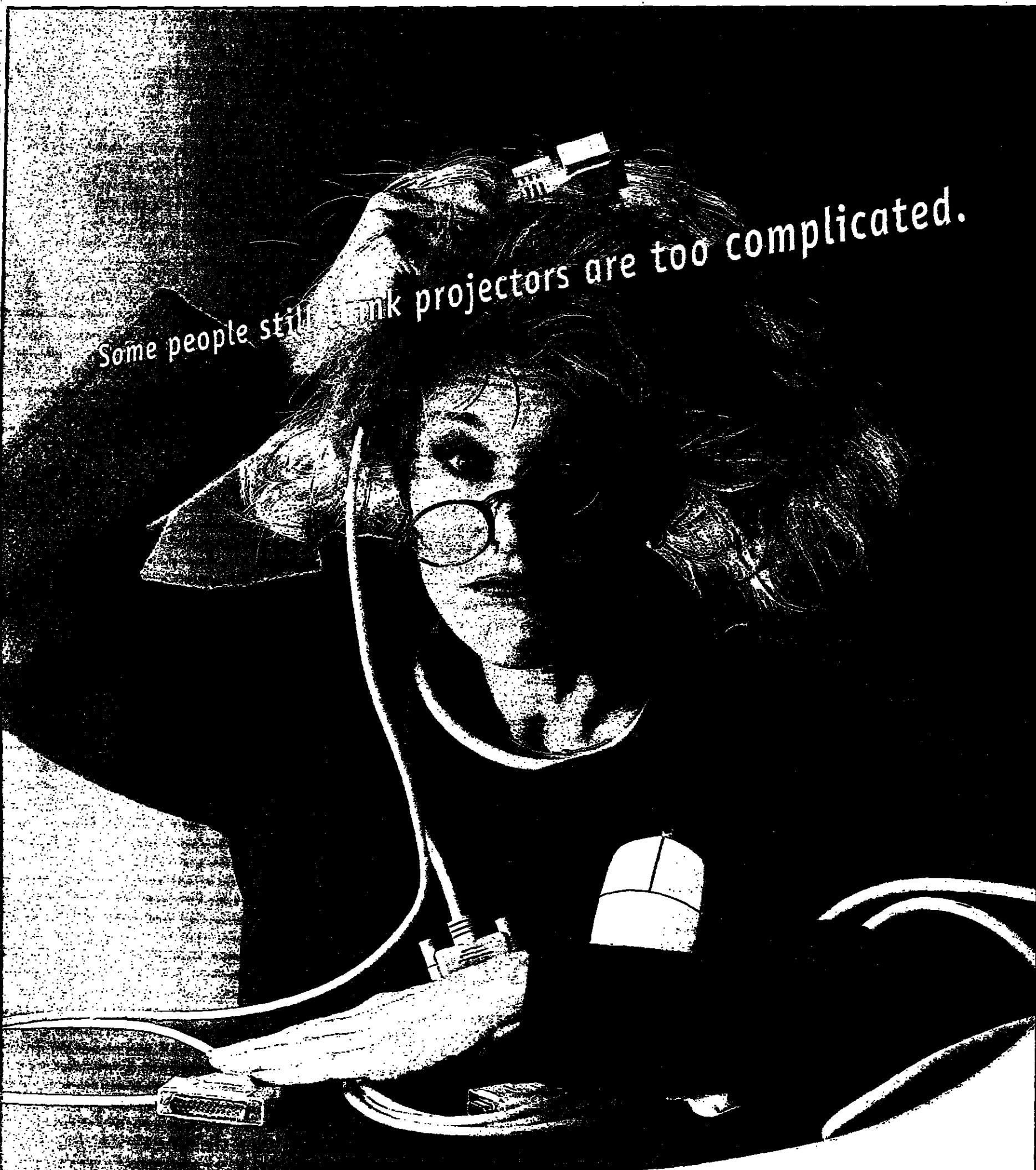
Early morning hand delivery available in key cities.

Special low cost 2-month trial subscription for just \$43.

For more information call 1-800-882-2884

Herald Tribune

THE WORLD'S DAILY NEWSPAPER



NEC makes projectors easy to use.

You have an image to project. Important people to impress. And the questions start. Do I have the proper cables? Will my software be compatible? Will I connect with the audience? Worry no more. NEC has changed the game. Set up? Simple. One cable connects your projector to your image source. Compatibility? No problem. NEC projectors feature a special microchip that instantly assigns the ideal resolution, picture size, position and frequency to your image signal, be it Windows, Mac or video. Most importantly, NEC's handy presentation tools, like a remote mouse and laser pointer, keep you in control of the show and in touch with your audience. You'll command the room. NEC projectors. Easy to use because they are designed for people just like you.

For more information, please call: NEC UK Ltd, 0645-40-40-20, NEC Deutschland GmbH 0180/524 25 21, NEC France S.A. 01 46 59 46 59

Projectors for people

www.nec-global.com

NEC

Microsoft is a registered trademark of Microsoft Corporation. Mac is a trademark of Apple Computer, Inc., registered in the United States and other countries.

TribTech

'Spintronics' Puts a New Spin on PC Building Blocks

By John Markoff
New York Times Service

SAN FRANCISCO — A group of IBM researchers said last week that they had successfully designed the building blocks of a new kind of computer memory that could fundamentally alter computer design early in the next century.

Chips based on this new technology, known as tunneling magnetic junction random access memory, or TMI-RAM for short, would be ultrafast, consume very little power and retain stored data when a computer was shut down.

As such they would combine the best features of computer disks, which can store prodigious amounts of information, and conventional memory chips, which are fast but limited in capacity.

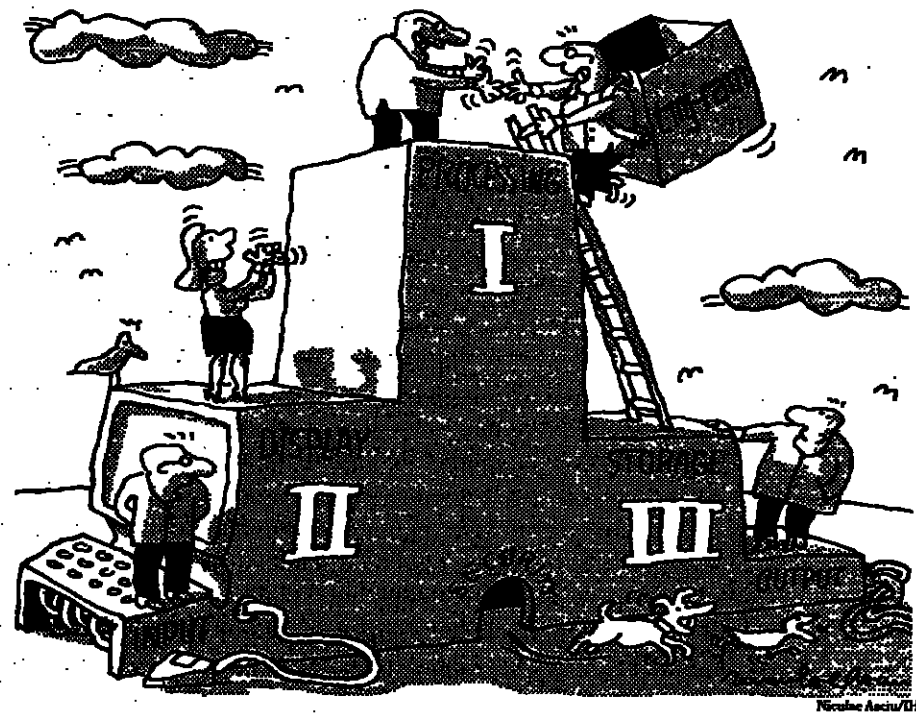
An IBM researcher revealed at a meeting of the American Physical Society in Atlanta last month that a small research team working at the company's Almaden Research Laboratory in San Jose, California, had succeeded in building microscopic magnetic memory cells that can switch on and off as quickly as the fastest microprocessor chips, consume power only when reading and writing, and are almost as small as the tiny capacitors that store data in the most advanced conventional memory chips.

In contrast, current memory chips must be continually electrically refreshed while operating, because the electrical charge continuously leaks from the millions of storage capacitors that make up the chips.

"This is the holy grail of computer memory," said Randy Isaac, a vice president at IBM's Thomas J. Watson Research Center. "This is the result of a global quest that has gone on for decades."

Indeed, the advance is a crucial step toward a new class of electronic materials and a new kind of microelectronics, which has been named "spintronics" because it is based on the ability to detect and control the spins of electrons in ferromagnetic materials.

Spin is an aspect of quantum mechanics, the rules that govern subatomic physics, that is still unexplored commercially. According to quantum mechanics, the electrons in a normal electric current are spinning in a random mix



of quantum states known as up and down.

By ordering this mayhem in a process analogous to the polarization of light — in effect, aligning the quantum spins to be either all up or all down — scientists can create the "off" and "on" states central to computer calculations and give the digital revolution a remarkable new dimension.

SPINTRONICS is already a billion-dollar industry because of another IBM innovation based on a phenomenon known as giant magnetoresistance, which is being used to read hard disks. In the so-called GMR effect, tiny magnetic fields are used to control the electrical resistance of a sandwich of alternating layers of magnetic and non-magnetic metals.

In recent years, progress at research laboratories in the United States, Europe and Japan has touched off an international race

among scientists who believe that spintronics may offer dramatic gains in memory and processing power in the next century.

In the United States, a number of companies, including IBM, Honeywell Inc., Hewlett-Packard Co. and Motorola Inc., are working on spintronics, according to Stuart Wolf, who is in charge of financing Pentagon research in the field.

"In two or three years there will be results in this field that will make people sit up and take notice," he said.

The new TMI-RAM devices combine the phenomenon of spin with another heretofore elusive quantum feature known as tunneling, in which current can pass from one metal layer to another, switching its spin from up to down, like a ghost melting through a wall.

"We've been able to improve these materials beyond my wildest dreams," said Stuart Parkin, the IBM physicist who leads the Al-

maden research group. "These are wonderful devices because in principle you can scale them through many, many generations."

Such memories might have a broad impact on the design of computers, he said, because they could be applied at both the very high and very low ends of the computer industry.

Because current memory chips are much slower than microprocessor chips, computer design is based on a hierarchy of memory. A conventional personal computer will have a number of different types of memory, which descend in speed and increase in capacity.

This hierarchy ranges from the so-called ultrafast cache, which is built directly into the microprocessor and stores data and parts of the program used most frequently, to the magnetic computer disk, which is the slowest part of the system but holds the most data.

Computers based on the new type of quantum-effect memory would not only start instantly, because program information and data could be permanently stored, but would also be faster, because the TMI-RAM memory would keep pace with the fastest microprocessor chips.

MEMORIES based on quantum-tunneling effects were first predicted theoretically by John Slonczewski, an IBM physicist at the Watson Research Center, in 1975. But it was not until three years ago, when research groups at Massachusetts Institute of Technology and in Japan simultaneously were able to demonstrate the magnetic tunneling effect, that Mr. Parkin's group returned to the field.

The scale of the research is remarkably small. For example, the aluminum oxide insulating layer in the tiny sandwich of iron-cobalt magnets that makes up the experimental memory cell is only four atoms thick.

The electrical resistance of that layer was lowered 10-million-fold at room temperature. This allowed current to "tunnel" between the layers, altering the direction of the spin in one of the magnets and creating the equivalent of a digital 1 or 0.

So far the group has demonstrated reading and writing times of about 10 nanoseconds, about six times faster than current dynamic random access memories.

ALT / Review



The Comquest TV Laptop (\$139.99), for ages 8 and up, can plug into a TV or be linked to a computer.

Toy Computers Are Still Magical

By Josh Barbanell
New York Times Service

NEW YORK — If only it were 1985, a millennium ago in the world of computers. Then Team Concepts Holdings Ltd.'s Comquest Disk Master and Vtech Holdings Ltd.'s Master Pad Deluxe would be considered brilliant inventions rather than fodder for the toy box, and their creators might be billionaire monopolists.

Today, these devices look like crude laptops or desktop computers, with very small screens and flimsy plastic cases. Just like adult computers, they have keyboards and mice, but they beep a lot, talk back, make simple music and allow children to play games, practice math and spelling and sometimes even write letters, print out documents and send e-mail. Some also play compact discs. Batteries are not included.

They are merely toys, sold at (relatively) low prices and marketed as learning devices. They are sometimes billed as a child's first computer, insinuating themselves into the minds of parents who may fret about parental inadequacy or the higher cost of a "real" computer.

But these toys raise intriguing questions about the world of computers: Why do they have to be so complicated? Do we really need all those fancy-schmancy graphics and rich sounds? And, finally, what is the point of a toy computer, when an adult version may soon drop below \$500?

Toy computers can understand keyboard and mouse-click commands, and have speakers and built-in software just like the real thing. What makes them toys, and it is both a strength and a weakness, is that just about everything in them — except the words that children can bang out on their simple word processors — is controlled by the toy manufacturer.

There is no software to buy, no operating system to worry about, just buttons and clicks that call up the pre-installed software.

TO KEEP costs down, toy computers come with tiny, often fuzzy green screens, some as small as 5 by 10 centimeters (2 by 4 inches). They show large block letters and one-color graphics in the style of the mid-1980s, when there were only monochrome-graphics cards. Images are often hard to decipher and only a few words appear at a time, though some models can be plugged into a television set for a larger picture.

Most educational software for PCs dances and crackles across ever-larger home computer monitors, in dazzling colors and speed, with silken voices and deep levels of interactivity. In contrast, the software on the toy computers is elementary and sometimes simple-minded — so crude that educational software developers would not even give it away. You begin to wonder whether the manufacturers are bottom-scavengers taking advantage of parental ignorance.

And yet the toys have a magic about them. They remind me of the power of computers in the 1980s, before Windows, when computers were new. All we had were basic text-based monitors and shareware educational programs, and we still managed to build vast imaginative worlds from them.

Even children who use real computers and the Nintendo 64 game system (and is there a reason I have not seen a Nintendo spelling game?) are quickly engaged in a toy computer's play and learning activities. Once that happens, the screen quality does not matter too much. Sometimes content wins out over form.

In simplicity there is strength. Anyone who has stayed up into the early morning hours trying to get a sound card to work or software to run will appreciate the value of a system that operates without adult interference. It made me wonder whether all computers should be designed with a kid-mode button that turns on self-contained, guaranteed-to-work programs.

There is also the power of ownership. Children who spend hours playing games on mom's desktop love having a computer of their own.

VTECH'S Master Pad Deluxe, at about \$90, is designed for children 8 and up. It will make its debut this fall with 63 activities, including traditional multidigit multiplication and division problems, trivia games, English and foreign-language exercises, and money-management tasks. A word processor with a 75,000-word dictionary is also featured.

Only a few of the activities in this latest model were available to test this spring. Five-inch screens fill up quickly with large block letters, and activities are straightforward and abbreviated. They end where the creativity would begin for a contemporary educational software designer. You can add an e-mail kit (\$69.99 plus monthly mail fees), digital camera (\$39.99) and a printer (\$149.99).

The Comquest TV Laptop (\$139.99), for ages 8 and up, comes with many of the same learning activities and games as Vtech's, including a word processor and spell checker. Though the word processor screen is only 23 characters wide, the computer can be plugged into a television set for a wider and crisper color screen, and it can be linked to a computer to transfer files.

Both companies offer "precomputers" for younger techies. Computer Pal by Vtech (\$69.99), for children 5 and up, includes much more sound and music than Vtech's products for older children. A desktop dragon character rewards correct answers on the 4-inch-wide screen. The Comquest Disk Master (about \$60) has an even smaller screen, but it is backlit and easier to read. It offers 30 activities, including music and word games.

Toy computers are no substitute for the real thing, of course. And anyone considering buying accessories might want to check prices for low-cost grown-up PCs. But even for children with home computers, toy ones can be fun.

Remote-Control Health Care: All You Need Is Trusty HANC

By Eric Nagourney
New York Times Service

GLORIA BELISLE probably is not the kind of patient doctors had in mind when they first envisioned treating medically underserved people from afar with high-technology diagnostic tools.

Like any patient receiving such care in rural America, Mrs. Belisle, who has congestive heart failure, does not generally see the medical practitioners following her condition. Instead, twice a day she sits in front of a computerized machine that asks, "How can I help you?" It then proceeds to measure everything from her blood pressure to her heart rhythm.

But Mrs. Belisle, 50, lives not on a farm in the outreaches of rural America, but on the South Side of Chicago. To receive her examination, she need only make her way to the dining room of her two-story house.

She is part of a trend in the practice of "telemedicine." Increasingly, authorities say, telemedical equipment, from the most basic to the most elaborate, is spreading from small medical centers in the underserved parts of the world that spurred its birth several decades ago to homes in densely populated areas.

Driven by health care providers who hope to cut costs and by advocates who say the practice actually increases the attention given to patients, electronic remote home care is being used to monitor patients with widely diverse conditions including chronic illnesses and high-risk pregnancies.

The technology has also helped shorten hospital stays, because patients can now be monitored at home. And doctors say it is especially useful for homebound patients, in-

cluding many elderly people.

"I think people have come to realize that it can be just as hard to get across an urban area as it is to go 200 miles in a rural area," said Dr. Ace Allen, a physician in Kansas who edits *Telemedicine Today* magazine.

In an article in the *Journal of the American Medical Association*, Dr. Allen and two colleagues reported a sharp increase in the use of the equipment, both in and out of the home, from 1,715 consultations in 1993 to a projected 90,000 last year in the United States.

In the last several years, the magazine reported, use has doubled each year, a trend that Dr. Allen said seemed to be holding true for the remote care at home.

As high-capacity Internet lines spread to ordinary households, allowing people to quickly transmit high-quality video images and other data, the practice is expected to become more widespread.

Still, few would suggest that this kind of home care will overshadow the traditional role of the remote monitoring: treating people in hard-to-reach places.

For Mrs. Belisle, who has been using the technology for about two years, it has helped her control a condition for which her doctors had considered a heart transplant.

Morning and evening, Mrs. Belisle sits in front of HANC, or home-assisted nursing care. She attaches three electronic leads to her chest so that the machine can check her heart with an electrocardiogram. She slips her arm into a cuff so that her blood pressure can be measured. She puts her finger in a small sleeve so that her pulse and blood-oxygen level can be taken. And she enters her weight. The machine can also handle an electronic stetho-

scope, allowing remote examination of the heart and lungs.

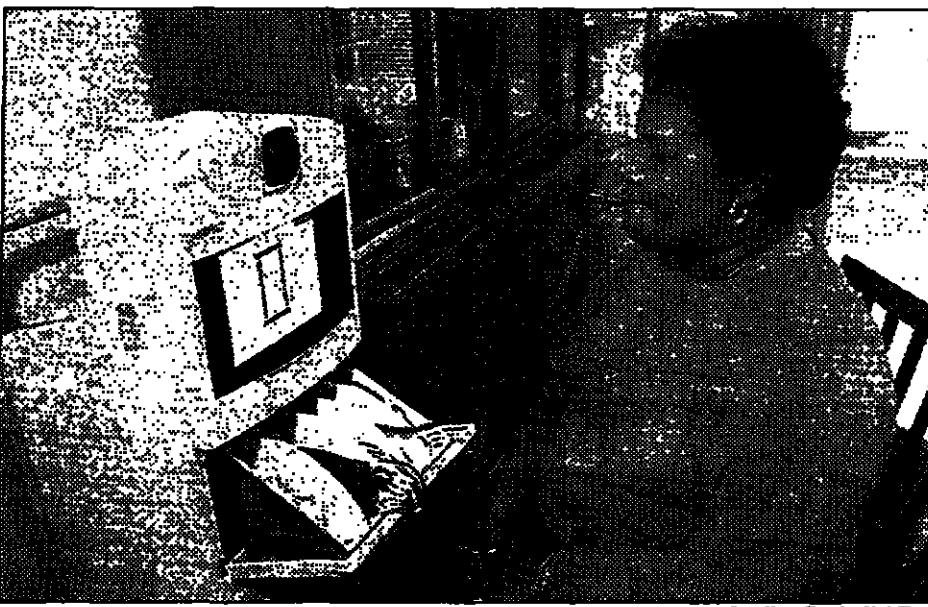
The machine stores the information and relays it to nurses at the home-care agency monitoring her condition — immediately, if there is a problem.

By her own admission, before her machine arrived, when nurses visited several times a week, Mrs. Belisle was not always the best patient. Weakened by her illness, she did not always find the strength to take her medicine.

HANC, however, is hard to ignore. It tells Mrs. Belisle when it is time to take her medicine.

"He gets louder and louder until you respond," she said. If his demand remains unsatisfied, the machine contacts the nurses.

While the machine Mrs. Belisle is using is top of the line, costing about \$12,000, doctors



Mrs. Belisle is monitored by HANC, an electronic remote nursing care machine.

say they have been getting good results with equipment that costs often under \$1,000.

Concerns remain over whether the remote equipment will strip medical treatment of its human element. Advocates say that patients and, over time, health providers, have been generally positive about the technology, won over by the machines' power to allow numerous contacts with a doctor or nurse each day, instead of just several a week.

Mrs. Belisle acknowledged she was concerned at first. "I miss my nurses," she said. "When they first stopped coming, I didn't know if I could cope without them."

Gradually, she said, her machine won her over, and now she has nothing but praise for her caregiver — or, almost. "My only complaint with HANC: I hate him on Sunday morning," Mrs. Belisle said.

BRIEFLY

ASIA BIG ON INFORMATION: Asian countries in general, and Singapore in particular, have outpaced much of the world in the information technology field, an industry research group said.

International Data Corp. placed Singapore in fourth place — behind the United States, Sweden and Finland — in its annual Information Society Index rankings for 1998.

Singapore, whose government is promoting information technology in virtually every aspect of society, ranked 11th in the 1997 list.

Other Asia-Pacific countries high in the 1998 rankings were Australia (8), Japan (9),

Hong Kong (12), New Zealand (13), South Korea (20) and Taiwan (21).

VIRUS IN APTIVA PC: International Business Machines Corp. said that several thousand of its Aptiva personal computers sold to consumers might be infected with a virus that can shut down the PC.

The Aptiva PCs that may be affected include models 240, 301, 520 and 580 that were built between March 5 and March 17. The virus, called CIE, is spread when some files are transferred from one PC to another. The bug may shut down the machine if the computer's internal calendar reads April 26 of any year.

The affected machines are labeled with either AM909, AM910 or AM911 after the letters "MFG DATE" on the Underwriters Laboratory log on the back of the Aptiva. IBM said it was providing a program to help eradicate the virus. (Bloomberg)

A TROPHY LIFE: After 21 years, the jockey John Sellers had given up searching for his stolen 1961 Kentucky Derby trophy. Then he found it on the Internet.

The sterling silver trophy was one of the most popular horse racing items ever offered by an Internet auction house, eBay Inc., attracting 41 bids and a final price of \$4,300. It also attracted the attention of the police.

Back on April 18, 1978, Mr. Sellers reported that 12 racing trophies and a television set had been stolen from his home in Monrovia, California, according to the police. He won the trophy aboard Carry Back.

Ronald Rovig, who runs a consulting company in Florida, bought the trophy and will return it to Mr. Sellers at the Kentucky Derby this year, said Mr. Rovig's attorney, John Galluzzo. The seller said she had bought it from a dealer. (Bloomberg)

SPEAK TO ME: Another U.S. powerhouse has turned an eye to the Belgian firm Lemnort & Hauspie Speech Products NV, the biggest European maker of speech-recognition software.

Intel Corp. agreed this week to invest \$30 million in the company.

Microsoft Corp. last month said it would increase its stake in Lemnort to 7 percent, after having first acquired shares in September 1997.

As a result of the new investment, Dirk Saelsens, an analyst at Bank Degroof, raised his rating on the stock to "buy" from "neutral." (Bloomberg)



HEADBONE CONNECTED TO THE HEADSET — Temco Japan has developed a military communications device that conducts sound via bones.

vestment over a 20-year period? A new computer program developed by U.S. regulators will help mutual fund investors find the answer. (It's 18 percent.)

The mutual fund cost calculator will allow investors to examine the costs of funds and compare different funds. The Securities and Exchange Commission has been pushing the mutual fund industry for improved disclosure of fund fees and investment risks.

The calculator is available on the SEC's Web site at www.sec.gov and through the Web site of the Investment Company Institute, the mutual fund industry's trade group, at www.ici.org. (AP)

TECHNOLOGY INDEX

Technology stock indexes around the world:			
	Today's close	Pct. change previous week	Pct. change, year to date
North America			
Pacific Exchange Tech	525.34		+16.95
S&P Tech Composite	1,393.50		+19.29
Europe			
Morgan Stanley Eurotec	647.49		+6.06
Asia			
Topix Electric	1,987.14		+28.82

Source: Morgan Stanley, Bloomberg News

For technology articles from the past week, see TribTech on the IHT's World Wide Web site at <http://www.ihrt.com>. Articles include:

- Customers Desert to Digital Market, April 1
- Hackers Failing, NATO Says, April 2
- Yahoo! Expands with Broadcast.com Buy, April 2
- Taiwan Computer Firms Cleaning Up in U.S., April 3
- Boom, April 3-4
- Men Charged With Creating E-Mail Virus, April 3-4
- Web Wagers: A Fund Manager Believes Internet Stocks Still Have Room to Rise, April 3-4
- With Stock as Bait, Microsoft Lures Elite Professors, April 3
- Spy Photos Help Document the Tragedy, April 7
- Privacy Needs Protection From Information Morgues, April 7
- Challenger Claims Lead in Germany, April 7

To reach TribTech editors or to comment on IHT tech coverage, send e-mail to tribtech@ihrt.com. International Herald Tribune

The Refugee Drama / We Want to Go Back, but How?

Silence Along the Border: Refugees Are Turned Back

By Daniel Williams
Washington Post Service

MORINA, Albania — At 3 A.M. the massive flow of refugees came to a silent halt. Relief officials and Albanian stragglers who crossed the border Wednesday said that tens of thousands of refugees heading toward the frontier here were being marched as gunpoint back toward Prizren inside Kosovo.

Their cars and tractors were smashed, and some were burned.

Where baggard refugees had trudged by foot into Albania, only the litter of plastic bottles, discarded clothing and paper remained. Wayside tents just off the immigration booths were empty. Only a few exiles whose vehicles had broken down remained on the road to Kukes, the first city near the border.

From one observation point, the mountains that flank the frontier, daytime visitors peering into Kosovo saw an empty road. The view to Zur, the place where the string of abandoned vehicles began, was blocked by mountains. On hillsides, Serbian soldiers dug trenches.

At noon, an Albanian man crossed the border. He told foreign observers that he and thousands of others had been turned back a few miles from the border. During the night, the refugee, Izmat Hoxha, peeled off from the column of remaining refugees and hid. He wandered toward the crossing for three hours, passing scores of abandoned vehicles and presented himself to the Serbian border guards.

They checked his hands for signs that he had been digging trenches. Satisfied that he did not belong to the rebel Kosovo Liberation Army, the guards let him go, according to Owen O'Sullivan, an official from the Organization for Security and Cooperation in Europe.

Albanian police took him into custody, and his whereabouts were unknown; they said he might be a collaborator because he was one of the few refugees who were able to make it into Albania on Wednesday, Mr. O'Sullivan said.

Mr. Hoxha was refugee No. 292,468 to have entered Albania since NATO's bombing began two weeks ago.

At 5 P.M., 27 more refugees, includ-

ing 11 children, on a tractor-pulled trailer chugged into Albania. They told UN officials that the Serbs had let them pass because they were immigrants from Albania who had lived in Orshovac for several years. They were told they were free to return to their homeland.

Another crossing, at Qafa Prushit, was closed Tuesday afternoon. No one had crossed since. Officials did not know how many refugees were awaiting entry at that more rugged mountain pass.

Refugees who arrived before the cutoff said that late Tuesday, Serbian police and soldiers began to tell them they could stay in Kosovo. However, at that point, no one was being forced back.

"We did not think about what they were saying," said Gaymand Darvis, who was sitting beside a broken-down tractor a mile from the border. "I don't trust them. We want to go back, but how? They've stolen everything we had."

She had left the city of Pec three days before, having endured the burning of

much of the town and expulsion of almost all its inhabitants. At first, the Serbs told her to flee to Montenegro, the Yugoslav province to the north. But on the road, soldiers ordered her to head for Albania.

Along the way in Decani, Serb soldiers seized Uk Derveshaj, 50, a cousin, and took him away. She arrived in Albania around midnight with her infant son, mother-in-law and husband. Three brothers belonging to the rebel Kosovo Liberation Army had remained in the Pec area. She said the last words she had heard from a Serbian border guard were, "Go away."

Rustem Kastrati, a farmer from a village near Pec, arrived at about 1 A.M. after a grueling five-day trip with two families totaling 21 people crammed in the back of a large truck.

Serbian soldiers in Pusha asked for money, and when he only produced about \$150, they slammed a rifle butt into his arm.

One soldier put an AK-47 to his chest, then raised it above Mr. Kastrati's shoulder and fired.

"All in Kosovo is coming," he said, unaware that the frontier was closed. "We can only go back with NATO ground troops."

His brother, Zek Kastrati, sported a black eye and arm bruises from his encounter in Pusha. The brother, a father of three children, said a masked Serbian paramilitary guard beat him after he turned over \$200. At the border, guards took his passport and told him, "There is no way back."

Ragged Lines of Refugees

John Kifer of The New York Times reported earlier from Morini, Albania:

The long, ragged lines of refugees continued to cross the border from Kosovo here as darkness fell Tuesday.

The fleeing ethnic Albanians were taking their cue from the plumes of smoke pouring from border villages set afire that afternoon by Serbs, rather than from any diplomatic maneuvers.

During the day and evening, several refugees spoke of having been told by the Yugoslav police that the policy toward them had changed and they could



go home. But the somewhat mystifying offer did not appear to have been widely heeded.

Indeed, the pace of refugees crossing the border appeared to pick up rapidly Tuesday, and by nightfall the twisting road leading toward the Albanian town of Kukes was jammed with tractors pulling carts of refugees, nearly all women, children and old men.

More than a dozen horse-drawn wagons crossed Tuesday night.

It appeared that many of the latest refugees were from rural districts.

Hasty Evacuation Of Dispossessed From Macedonia Raises Tensions

By Paul Horvitz
International Herald Tribune

PARIS — Overnight, the plight of tens of thousands of ethnic Albanian refugees fleeing Kosovo changed radically Wednesday.

At the muddy border town of Blace, Macedonia, an entire encampment of the dispossessed — about 45,000 people living in dire circumstances — was hastily jammed on to buses and driven to a series of makeshift military camps and transit centers where conditions were better but still primitive.

Thousands more were bused from Blace into Albania, and more were expected to be sent to Greece and Turkey.

To the west, at the Albanian border with Kosovo, Yugoslav officials abruptly closed a crossing early Wednesday morning that had seen the passage of thousands of evacuees, and aid workers feared that many Kosovars moving toward Albania had been forced to trek back to villages they had fled in fear.

On the Kosovo side of the Macedonian border, where thousands more ethnic Albanians had waited for passage in cars and on foot to Blace, reports indicated that Yugoslav military officials had cleared the area and sent the refugees back into the interior, some apparently to Pristina, the provincial capital of Kosovo.

Confusion reigned in many quarters. Aid officials again accused the Macedonian government of carelessly and sometimes brutally dividing families and failing to tell the evacuees where they were bound. In Rome, a spokesman for the UN High Commissioner for Refugees said thousands of evacuees were unaccounted for.

But it was clear that the tent cities erected by NATO military forces in Macedonia and Albania were functioning, with food and medical supplies pouring in on aid flights. U.S. Marines who arrived this week in Macedonia were erecting yet another camp Wednesday, and French and Italian forces continued to ferry supplies inside Albania.

The airlift of refugees to other parts of Europe continued slowly. Germany's first complement of refugees landed in Nuremberg aboard a German air force plane, even as European Union foreign ministers made clear at a meeting in Luxembourg that they opposed any massive airlift.

While it was far from clear what Belgrade had in mind for the Kosovars sent back home from the borders one day after President Slobodan Milosevic declared a unilateral cease-fire, NATO officials immediately cast the developments as bad news.

"I hope that the Serbian government is not playing poker with people's lives," said the alliance's civilian spokesman, Jamie Shea, in Brussels. He said it appeared that Serbian officials wanted "to push them back into a wasteland, where there is no food, very little water, no medical supplies and where everything has been looted."

The swift emptying of the Blace encampment came amid deep tensions between Western aid officials and the government of Macedonia, a former Yugoslav republic.

On Tuesday, Prime Minister, Ljubco Georgievski of Macedonia sharply criticized NATO, saying the alliance had been "completely irresponsible" to ignore warnings that air strikes on Yugoslavia could trigger a humanitarian disaster.

The United Nations and Western aid agencies, for their part, have accused Macedonia of using bureaucratic delays to slow the influx of both refugees and aid.

Aid workers were sharply critical of the handling of the Blace evacuation. "These buses arrived unannounced with no forewarning and no information about their destinations," the UNHCR spokesman, Paul Stromberg, said in Geneva.

"We talked to a girl this morning who found her father was in Turkey, her mother was in another transit center, her brother at another crossing point," he said, adding, "It is the kind of thing we are going to find more and more."

Aid workers did not even know where the refugees had been taken until midday, when Macedonian officials announced that about 10,000 of them had been transported to Albania and 25,000



Kosovar refugees awaking Wednesday after spending a night in the open without tents.

had gone to NATO-run tent camps inside Macedonia.

At a major transit camp erected by NATO a few miles from Blace, a military official, Brigadier Tim Cross, said the condition of the refugees remained fragile, although an Israeli field hospital had just opened.

"At the moment, we've coped," he said on CNN. "But I'm not sanguine about the next 48 hours."

In the Albanian town of Korca, close to the point where the refugees crossed in buses, refugees gathered on a soccer field and were being given bread and milk by local people, The Associated Press reported.

All that remained Wednesday at the Blace site was a giant smoldering pit, with garbage fires burning and tons of muddy clothing and plastic sheeting strewn about. Paramilitary police kept journalists at a distance, an AP dispatch said.

An Associated Press Television News crew at a nearby crossing, Zajince, saw empty Yugoslav buses waiting across the border, apparently preparing to transport refugees back into Kosovo.

Macedonia fears the flood of refugees will destabilize its ethnic balance, allowing the new ethnic Albanian arrivals, who are Muslims, to socially and politically overwhelm the Slavic Orthodox Christian majority in Macedonia, a country of 2.2 million. The current ethnic mix is roughly two-thirds Christian and Slavic and one third Muslim and Albanian.

In a news release late Tuesday, the government said refugees would go directly to transit camps "where they will be transferred to other countries."

NATO troops in Macedonia have been working day and night to set up nine tent cities. Mr. Shea said the alliance had ferried more than 1,700 tons of relief so far.

Although details of the mass movement out of Blace remained hazy, a French official, Pascal Duhar, told Agence France-Presse that people were crowded into buses designed for half the number they carried.

"These people carried themselves admirably," Mr. Duhar said.

Meanwhile, in Brussels the European Union on Wednesday allocated as much as 250 million euros (\$270 million) in extra humanitarian aid to the Kosovo refugees and financial assistance to help neighboring Balkan countries provide security to fleeing ethnic Albanians.

Some of the money would cover the costs of sheltering refugees, social costs, registration, electricity, sanitation and transportation, an EU official said, and some would go to nongovernmental organizations for humanitarian help.

Families Split Up in Evacuation

Thousands of disheveled Kosovar Albanians, bused overnight from a border no man's land to a refugee camp nearby, searched desperately Wednesday for relatives lost in the chaos, Reuters reported from Stenkovac, Macedonia.

"Please help me find my mother," a young man, kept outside the camp by baton-waving Macedonian policemen, begged relief workers and jour-



A Kosovar boy being cuddled by his mother Wednesday at a refugee camp in Macedonia.

nalists.

"She is in this camp, but she doesn't know where my sisters and I are."

Sami Vitia, 28, from Pristina, pleaded with doctors to search for his wife, Shpresa. She was rushed out of Blace with pregnancy problems days ago, he said, and he thought she might be in a Skopje hospital.

The United Nations refugee agency expressed concern about how Macedonian authorities were handling about 130,000 ethnic Albanian refugees who had fled the violence in Kosovo.

"The top concerns are voluntariness and keeping families united," a UNHCR spokeswoman, Paula Ghedini, said. "You can't put people on a bus and not tell them where they're going."

Refugees said dozens of buses had arrived at Blace, where thousands were trapped for days, braving harsh weather and a lack of sanitation, food and shelter, to move them to unknown destinations without being registered.

Although most seemed relieved to leave behind the stress and uncertainty of Blace, their concern now was to get in touch with their families. About half the refugees slept outside, around a sea of 400 green tents erected by the French soldiers. Scores queued to use the makeshift toilets — a hole in the ground surrounded by black cloth.

None had a chance to wash, and some said they had not eaten in more than 24 hours.

"I bribed a Macedonian policeman to let me come here from Blace, but this is becoming like Blace," said Rexhe Nikqi, a doctor from Pristina who has joined the relief agency Medecins du Monde to help his compatriots. "There is a lot of sickness and fatigue here. Children, especially, are suffering from diarrhea and vomiting."

The French troops in charge of the camp said tents were being brought in to shelter more refugees and rations were being distributed to feed them. "There are more of them than we had prepared for but they are better off here than in Blace," said Charles de Kersabiec, the spokesman for the French contingent.

But Mr. Nikqi disagreed. "If we had known that this was awaiting us here we would have preferred to stay in Pristina and die," he said.

There were numerous accounts that many of the refugees did not know where they were headed and were often split up from family members as they boarded the buses.

Just a few miles down the road in a new tented refugee camp, Ejup Kanerolli said he had lost two teenage sons. "The police separated us. I was passing to the buses. They put the children in the bus and made us step back. I saw them drive off but I do not know where they were sent."

Ms. Ghedini said there was evidence that the refugees had been given no choice in how or where they were sent. "We do have some concern that some sort of pressure was used," she said. "It is not clear if they were taken forcibly, but we do know it was involuntary. Refugees do not usually leave their possessions behind," she said.

EXODUS: Fleeing Family Finally Gets to a Tent

Continued from Page 1

white dress, white veil, standing between her parents, who are still in Pristina, unreachable.

She shows what else a woman packs in her purse to flee a country: her medical degree, her birth certificate, the children's birth certificates, her marriage license, the family's savings, a bag of cosmetics, a bar of soap, a tube of hand cream and her official stamp, which says in purple type: "Dr. Aferdita Vumiqi-Dushi, spec. medicus univ."

The purse, like her shoes and the bottom of her pants and the sleeves of her sweater, is stained from mud. That happened Saturday, their first day in the field, the day she and Mr. Dushi thought would be their only one there. "The field of death," she now calls it. And, something even worse somehow when she says it: "The beautiful field."

By day's end, not only were they still in the field, they were standing in the midst of thousands of people, all of whom had pushed their way toward one edge of the field because rumor had it that was where you had to be in order to be selected to leave. It began to rain. They covered themselves with a sheet of plastic. The children wanted to lie down, but there was no room.

"This is the way to Skopje," Mr. Dushi told them, but by morning they were still in the field, and when they made their way back into the depths of the camp, back to where they had spent much of the first day, the thought came to Mrs. Dushi that this was where they now lived.

On Monday morning, Mrs. Dushi approached a policeman walking along the edge of the field, one of hundreds whose job it is to make sure no refugee leaves the field except by bus. "I am a doctor," she said to him, begging him to help her, to get her out so she could help other refugees. The way he looked at her caused her to go back to Mr. Dushi, whom she hadn't hugged in days, whom she hadn't really touched, and take his arm. "I hold his arm only to give him hope and for him to give me hope," she says. "I said, 'I am nothing here.' It is very hard to say that, but in the field you are nothing."

At noon Monday, she approached a doctor who was walking through the crowd. "I am your colleague," she said. "Can you help me to get out?" The doctor looked at her. She told

him who she was, where she practiced, what she did. He told her there was nothing he could do, not at the moment, but to come back to that same spot the next day, at noon again, and he would try to help her.

The night passed. At noon Mrs. Dushi led her family to the spot, and there was the doctor, just as he said he would be.

"Doctor," she said to him. "Colleague."

"Just a minute," he said to her, turning away, and for a moment her heart sank, but then she heard him telling the nurse to bring two stretchers and then she realized what he wanted her to do.

The stretchers came. She told Ariana to lie down. He didn't want to. He didn't understand. But he did as his mother asked. "Don't say anything," she said. "Just close your eyes."

Then Rita — who lay down and closed her eyes, but then opened them and started to cry. "Give me your hand," Mrs. Dushi said to Rita, and Rita did, and the mother took it and started to cry, and in this way, crying and running, the Dushis made their way out of the field and across the road and into the tent with the thick canvas heat and slanted dirt floor, which, in the course of four days, had become the best place they could imagine themselves being.

And now, here they are: 5 P.M. The sun is going down. The tent is cooling. Across the road, tens of thousands of people are getting ready for another night in the mud and stink.

Somewhere in Skopje is Mrs. Dushi's brother. Somewhere in Pristina are her parents. Her world, though, is this tent, at least for now, and in this world the malnourished woman with the two teeth is sitting up, and her hands are cupped, filled with the vomit of her son. It begins overflowing. There is nothing the woman can do. He keeps vomiting. The doctors come running over to try to help, and instead of helping them Mrs. Dushi is remembering her first day in the field, when a man sitting not too far from her began to have a seizure.

No one knew what to do, except her.

She searched the ground. Found a stick. Wiped it off as best she could. Put it in the man's mouth so he would not bite his tongue. Stayed with him until the seizure was over, and then went back to her family.

"That day, I felt like a doctor," she says.

"This day, I feel like nothing."

THE REPUBLIC OF ECUADOR
THE MINISTRY OF FOREIGN TRADE INDUSTRY AND
FISHERY THE EXPORT AND
INVESTMENT PROMOTIONS CORPORATION
REQUEST CONSULTING FIRMS TO EXPRESS THEIR INTEREST

The Ecuadorian Export and Investment Promotions Corporation (CORPEI), calls for international firms to show their "expression of interests" to carry out the ENTREPRENEURIAL LEARNING AND INNOVATION segment of the Ecuador International Trade and Integration Project financed by the International Bank For Reconstruction and Development, Loan 4346-ec.

The objective of this segment is to finance Learning and Innovation subprojects and Grassroots Growth subprojects, regarding the improvement of Ecuadorian international trade development and integration with the global economy.

A consulting firm, with proven experience managing export promotion programs involving matching grant schemes, will be contracted to assist CORPEI in managing the Learning and Innovation Fund and Grassroots Growth Fund.

The interested firms must send to CORPEI, up to May 1st of 1999, the following information:

- Letter expressing interest, and
- Consulting Firm resume.

CORPEI will proceed to elaborate a Short List of Consultants in order to request their technical and financial proposals.

Please send all documentation to:

CORPORACION DE PROMOCION
DE EXPORTACIONES E INVERSIONES
EDIFICIO BANCO LA PREVISORA
9 DE OCTUBRE # 100 Y MALECON
PISO 29, OFICINA # 2905
P.O. BOX # 11495
GUAYAQUIL - ECUADOR
PHONE: (593-04) 568150 - 568452. FAX: 566016
E-MAIL: corpeibm@mpsnet.net.ec

Ricardo Estrada E., Executive President

REFUGEES: 10,000 Kosovars Disappear After Mass Evacuation by Macedonia

Continued from Page 1

an estimated 65,000 people trapped in no-man's-land at the border between Kosovo and Macedonia, was a deserted rubbish strewn stretch of land Wednesday.

The makeshift shelters of plastic sheeting and blankets that had been home for refugees for over a week have been abandoned. Nothing moved across the hillside and fields except scraps of rubbish blowing around. Where thousands of voices had created a constant din, there was silence.

The smell of thousands of unwashed bodies, crammed in close proximity, still hung in the air. Clothes and blankets were heaped together in a huge pile, as if people had dropped them as they fled past the buses.

The Macedonian authorities began loading up

and bussing out refugees two days ago. On Tuesday they suddenly accelerated the operation and in 24 hours cleared out more than 45,000 people.

About 10,000 were sent to Albania, the Macedonian government announced Wednesday. It was not clear if the move had been coordinated with Albania, which has already been overwhelmed with more than 200,000 ethnic Albanian refugees from Kosovo in recent weeks.

Another 1,500 refugees, wet mud still clogging their shoes, were sent straight to the airport and boarded planes for Turkey at Skopje airport.

A convoy of 20 buses crammed with refugees was observed driving as far as the border with Greece, apparently on their way to Turkey via Greece. Greece has offered to take 4,000 refugees and Turkey 20,000.

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

NATO Must Persist

Keeping NATO's 19 members united in their determination to confront Slobodan Milosevic has been a difficult challenge for President Bill Clinton, and it has gotten harder. Belgrade's declaration of an Orthodox Easter cease-fire in Kosovo, coupled with an errant NATO bombing raid on the Serbian town of Aleksinac, were just the kinds of developments that can start to unravel a coalition of disparate nations. NATO properly rejected the cease-fire, which came with no long-term peace proposal, but the offer may be the first sign that Mr. Milosevic is looking for a way out of the conflict.

The United States and NATO must be ready to negotiate with Mr. Milosevic if he makes a serious peace offer, and there were signs on Tuesday that a negotiating track could quickly develop if he does. But until he budges, the bombing should persist. Though the attacks have done little to curtail the Serbian rampage across Kosovo, Mr. Milosevic's military and industrial base is now being hit hard. That will eventually produce a more comprehensive peace proposal from him. On Tuesday, he did not offer to withdraw his forces from Kosovo, allow the return of the refugees or take any other steps required to undo the damage of the last two weeks. Wavering NATO members like Italy and Greece must recognize

that a false peace in Kosovo will only embolden Mr. Milosevic to turn his terror against other Balkan peoples.

But if Russia is willing to help settle the conflict, more serious diplomatic efforts could grow out of a planned meeting on Wednesday in Brussels between Deputy Secretary of State Strobe Talbott and his Russian counterpart, Alexander Avdeyev, and European diplomats. The alliance gave Mr. Talbott some talking room by dropping its insistence that as one condition for stopping the bombing, Mr. Milosevic must sign the peace plan prepared last month in France. The specific autonomy plan for Kosovo outlined in the agreement has been shattered by the Serbian assault, and NATO has sensibly decided that a new plan is needed.

The casualties in a residential neighborhood of Aleksinac were unfortunate. But with the use of precision munitions, the alliance has kept civilian casualties to a minimum. Serbian forces, by contrast, have deliberately targeted civilians in their brutal march across Kosovo. NATO reconnaissance photographs and numerous accounts from refugees suggest that the Serbian units have executed hundreds of ethnic Albanians as they have forced the people of Kosovo from their homes.

—THE NEW YORK TIMES

Deploy the Helicopters

Anyone watching television or reading a newspaper has at least some sense of the misery inside the muddy encampments of Kosovo deportees. The misery inside Kosovo itself remains largely hidden to the outside world; there are no foreign correspondents or aid workers, and the Kosovars themselves have been largely cut off. But enough stories are now emerging from those forcibly expelled, and their accounts are sufficiently consistent, to paint a horrifying picture.

There are confirmed accounts of mass executions. Slobodan Milosevic's forces are shooting fathers in front of their families, stabbing children to death and burning families alive inside their homes. Serbian troops pull girls and women from cars and tractors to rape them while their relatives are forced to leave the country without them.

These atrocities are taking place now. For all the misery at Kosovo's borders, many more civilians remain inside Kosovo than have been forced to flee. Mr. Milosevic's supposed Easter cease-fire may or may not offer a temporary respite, but there is no doubt that these civilian hostages — more than a million of them — remain in grave danger from his marauding troops. NATO's first goal must be to protect those people to the maximum extent possible.

In the early stages of this conflict, NATO could not protect the Kosovo civilians for whom this war is being fought. The air campaign had first to degrade Serbia's air defenses. The threat from those anti-aircraft guns and missiles now has been diminished, and NATO officials say their planes are targeting Mr. Milosevic's forces in the field. But even now, the officials say, the air campaign is limited in its ability to interfere in the continuing ethnic cleansing, because Serbian tanks are too dispersed, too well hidden, too close to civilians or — still — too well protected.

That is why General Wesley Clark, the NATO military commander, requested deployment of two dozen Apache helicopters. These aircraft are designed for precisely this battle situation: they can fly low through enemy territory, pop up to fire a tank-killing missile and then retreat. NATO has in principle agreed to provide the Apaches — but on a schedule that will not put them into action for weeks. By then, Mr. Milosevic could well have completed his ethnic cleansing.

"We could move the Apaches there extremely quickly," said Kenneth Bacon, the Defense Department spokesman. "But right now, we are concentrating on primarily the humanitarian aid." Airlift capacity is one limiting factor; another is finding a place to land the big cargo planes that would transport the helicopters and accompanying equipment from Germany. Originally, General Clark had hoped to land the Apaches at Albania's lone true airport in Tirana, and even then the operation would have taken seven to 10 days. Now NATO has reserved that airport for humanitarian aid shipments, another Pentagon official reports, so it must scout for new sites and, likely, improve whatever runway it finds before shipping the Apaches.

Set aside, for now, the question of how a military designed to simultaneously fight two sizable wars lacks the airlift to move tents and helicopters at the same time. Accept, for now, that NATO must choose. Humanitarian aid is urgently needed. A plan to get the deportees back into Kosovo is urgently needed. But surely nothing can be more urgent than preventing more massacres, rapes and forced deportations. NATO's strangely lackadaisical handling of the Apache request suggests that it has accepted its impotence as the ethnic cleansing continues. This is wrong. It should deploy the helicopters now.

—THE WASHINGTON POST

Other Comment

Palestinian Patience

The Palestinian Authority says its leaders will decide by the end of April whether and when to proclaim an independent state, but it is a good bet that the choice has already been made. Under prodding and with political sweeteners from the United States and the 15-nation European Union, Yasser Arafat is likely to announce he is deferring that decision for a time. The decision is being pushed by the May 4 expiration of the interim peace accords reached with Israel five years ago.

The best reason for letting that date pass quietly is the Israeli national election on May 17. Nothing would do more to assure the re-election of Prime Minister Benjamin Netanyahu and a hard-line government than for the Palestinians unilaterally to declare statehood. It is now all but a given that there will be a Palestinian state somewhere down

the road. Last month the European Union went beyond its earlier comments with a statement supporting the Palestinians' unqualified right to self-determination. U.S. officials publicly stick to the line that the Palestinians' political future is to be negotiated, though privately many see eventual statehood as inevitable. Such opinions do not impress those Israelis who are determined to hold on to the greater part of the West Bank while agreeing to no more than limited autonomy for the Palestinians. But that attitude is a prescription for endless tension, and for Israel's increasing isolation.

Israel's election could produce a more moderate and conciliatory government that is truly interested in moving the peace process to a conclusion. Mr. Arafat surely understands that a Palestinian declaration of statehood on May 4 would bury that prospect.

—Los Angeles Times

Land Intervention Is the Only Hope for Kosovo

By William Pfaff

PARIS — Evacuation to Guam, Guantanamo, Germany or Turkey provides no solution to the Kosovo refugee problem. It represents denial of the fundamental problem, which is the war, which is being lost.

Resettlement abroad means collaboration in Slobodan Milosevic's ethnic cleansing of Kosovo. His fait accompli is ratified. The only acceptable resolution for the refugees is to be escorted back to their homes (those homes that survive) and provided with the security in which they can rebuild their lives.

The only solution, then, is a NATO military victory. If there is no NATO victory over Serbia, there will no longer be a NATO. And now, no victory is imaginable without a land campaign. The debate over intervention is no longer a dispute over the means to an end. It is a debate over abandoning NATO and the American claim to international leadership.

If the United States vetoes a land intervention — which is supported by majority French and British opinion — the United States can forget about NATO. Events since March 24 have already weakened confidence in American-assured collective security in Europe, or anywhere else.

Polls conducted last Thursday and Friday in Britain found that 66 percent of those surveyed expressed support for British participation in a NATO ground attack on Serbian forces — up 19 percent in a single week. Only 27

percent were opposed (with 7 percent undecided). A poll taken Saturday in France found that 58 percent supported ground intervention. In a separate French poll, 55 percent of the respondents favored French ground intervention, even without NATO.

The pressure against ground intervention comes primarily from Washington. Congressional opposition is very strong, although Newsweek says that 54 percent of the U.S. public would send troops "to help bring peace." Washington policymakers still see Kosovo through the distorting glass of the presidential campaign. Every act is weighed for its putative effect upon the American electorate. What defeat would do to American opinion worldwide is ignored.

This moral isolation is by now characteristic of Washington, and is potentially lethal for U.S. national interests. One might argue, and I have, that Western Europe's politically morbid dependence upon Washington needs to be broken for the good of both sides — but surely not by defeat at the hands of Slobodan Milosevic.

NATO planners cannot have neglected the intervention contingency. The forces exist. Air-mobile forces are available from the United States, as are British and French airborne regiments, rapid-reaction formations and special forces.

General William Odom of the Hudson Institute has proposed an armored thrust from Hungary, a new NATO member, toward Belgrade, to dislodge Mr. Milosevic's government. This is politically tricky, as it could compromise the Hungarian minority in Serbia.

However, the size of Serbia and Kosovo together is less than that of Kentucky (about 103,000 square kilometers, or 41,200 square miles). Kosovo is the size of greater Los Angeles. A tank column can cross it in an hour.

NATO could certainly confront the Serbian police and troops, not only with armored invasion from the north and breakout by the NATO troops now in Macedonia, but also with an airborne landing sustained from Albania (less than 150 kilometers from central Kosovo) to launch operations in the center of the country, severing Serbian lines of communication.

It is time for speed and improvisation. The NATO military task is to drive organized Serbian forces out of Kosovo, destroy them and restore order and authority in Kosovo. Much is said about the Serbian guerrilla potential, which is real. There is, however, no apparent reason why retrained and retrained forces of the Kosovo Liberation Army could not clear surviving Serbian irregulars from the Kosovo mountains. NATO should not attempt to occupy Serbia, once its army is destroyed.

Catastrophe scenarios, citing the Vi-

etnam example, consistently neglect the fact that NATO forces would operate in Kosovo against a hated Serbian invader, with support from the population and the KLA. In Vietnam, the United States supported a government actively or passively opposed by a popular majority, against the armed opposition of the most dynamic political-military force in the country.

The Kosovars wanted freedom, and the tactics of their KLA precipitated this crisis. Until now the Western governments have wanted Kosovo to remain part of Serbia. That no longer is possible. The Balkans are already profoundly destabilized.

NATO should support Kosovo independence in the hope that this might eventually be ratified as part of a larger Balkan settlement, negotiated with Kosovo's neighbors and a successor government to the present one in Belgrade, with Russian participation.

NATO and the United States continue to substitute palliative but morally hypocritical gestures — refugee airlifts and "temporary" resettlements — for military choices that would cost NATO lives. Death, however, is part of the military contract. The former French commander in Bosnia, Philippe Morillon, has said of America's illusions on this subject, "Who are these soldiers who are ready to kill and not ready to die?"

International Herald Tribune.
Los Angeles Times Syndicate.

A NATO Victory Can Bridge Europe's Growing Divide

By Robert D. Kaplan

STOCKBRIDGE, Massachusetts — The humanitarian nightmare in Kosovo may be reason enough for NATO's involvement in the former Yugoslavia, but for the United States there are vital strategic stakes involved as well. These stakes justify the use of any NATO measures needed to defeat Serbia, including the use of ground troops, because nothing less than the future contours of Europe are now being decided.

When the East-West division of Europe was erased in 1989 with the collapse of the Berlin Wall, a new division immediately began forming: that between Central Europe and the Balkans. Even before the outbreak of fighting in Yugoslavia in 1991, the Central European states of Poland, Hungary and Czechoslovakia were pulling away from the Balkan countries such as Romania and Bulgaria in terms of progress toward stable, democratic rule.

The admission of Poland, the Czech Republic and Hungary into the North Atlantic Treaty Organization has formalized this dangerous historical and religious redrawing of Europe between a Roman Catholic and Protestant West and an Orthodox Christian and Muslim East.

However, Slobodan Milosevic's campaign in Kosovo has now given the West a chance to reverse this process. A real NATO victory, one that not only gives the Kosovars protection but also knocks Serbia off its perch as the region's military threat, would go a long way toward stabilizing the continent.

This is because the immediate impact of the current fighting is being felt well beyond the states of the former Yugoslavia, which all told constitute only a third of the Balkan peninsula. Three major Balkan countries — Romania, Bulgaria and Greece — though not directly threatened by the flood of refugees rolling into Albania and Macedonia, are nevertheless at a pivotal point of political destiny.

In Romania, the largest and most populous Balkan state, there is a tenuous peace between the Orthodox Christian majority and the ethnic Hungarian minority, which is mixed Catholic and Protestant and lives in the northwestern region

of Transylvania. This relative calm is a significant achievement given that in the course of this century each group has occupied the other's territory.

Yet this social peace is threatened by the lack of modernization in the countryside and chaotic chaos in Bucharest, where economic reform is slow motion and investor confidence is eroding. In Romania only the military is well run. Though Romanians are Eastern Orthodox, the horrible memory of dark Stalinist decades makes them desperate for NATO membership, which would keep the military out of politics, stifle ethnic nationalist politicians and energize the elite in the direction of good government.

The same goes for Bulgaria, where the democratically elected cabinet is valiantly working toward economic reform but is besieged by criminal groups with links to Russian businesses and mafias. These groups put tremendous pressure on the government and effectively push the country into Russia's fold.

The Bulgarian elite is fighting back but is legitimately afraid of being stranded at the far end of the Balkans, spurned by NATO and severed from Central Europe by instability in Kosovo and Macedonia.

Greece is the most misunderstood Balkan country. The West demands that Greece behave exactly like the other members of the alliance because it is middle class and a member of NATO. But it cannot, because it is in the Balkans and must adjust its foreign policy relative to its geographic position. Greeks know that they are fated to live next door to the Serbs long after any NATO troops leave.

Moreover, throughout the long centuries of Turkish occupation, Greeks were supported by their Orthodox co-religionists in Serbia and Russia — a fact of history with effects that run deep. And, having never experienced Soviet occupation, or communism, Greeks have a romantic attachment to Russia that does not exist in Romania or even Bulgaria.

The Greek government is supporting the United States as best it can, given the pressures upon it from both the political

left and right. But if the Serbs humiliate NATO, Greeks will act in self-interest. Their NATO ties will be reduced to an official trapping, even as they deny this very fact and quietly intensify links with their fellow Orthodox in Moscow and Belgrade. After 47 years of NATO membership, Greece could be lost.

Appeals to conscience will not keep Greece a de facto as well as a de jure member of NATO, nor will they keep Romania and Bulgaria from slipping into the sway of Russia. What is required is nothing less than a complete NATO military victory. Indeed, while the Greeks and the Macedonian Slavs despise each other, as Orthodox Christians they equally despise the Muslim Kosovars. Few in the region can be expected to feel sympathy for the Islamic refugees, who disrupt the fragile religious and ethnic balance in neighboring countries, already burdened by weak governments and high unemployment.

Thus, if the bombing campaign fails and NATO gives up at the negotiating table, it would seal Europe off according to medieval lines, with the newly expanded NATO a mere variation of the old Holy Roman Empire — the old Christian West, that is — and with the Near East beginning where the old Ottoman Turkish Empire once did, roughly on the border between Croatia and Serbia and somewhere in Transylvania where ethnic Hungarians meet Romanians.

In 1834, entering the autonomous Ottoman principality of Serbia from the Hapsburg Empire, the English travel writer Alexander Kinglake wrote, "I had come, as it were, to the end of this wheel-going Europe, and now my eyes would see the Splendour and Havoc of the East." That same demarcation between East and West will re-emerge unless Slobodan Milosevic is crushed with air and ground troops and a NATO protectorate is established in Kosovo and Macedonia.

Only Western imperialism — though few will like calling it that — can now unite the European continent and save the Balkans from chaos.

The writer is a correspondent for The Atlantic Monthly and the author of "Balkan Ghosts: A Journey Through History." He contributed this comment to The New York Times.

A Superpower Alone Cannot Impose Peace

By David Ignatius

WASHINGTON — One of the most poignant — and potentially dangerous — dynamics in the modern world is the way that weak ethnic groups come to believe that a superpower can save them from a regional bully.

We are seeing that explosive process unfold now in the Balkans. For the moment, clearly, we have no choice but to fight on behalf of the weak Kosovars who depend on our promises of protection. But we need to understand the underlying forces at work here to avoid potentially disastrous mistakes in the future.

The problem, in essence, is what I would call "the law of disproportionate interest." This holds that a regional power like Yugoslavia, whose interests are engaged in a visceral way, will almost always have greater patience and resolve than a distant superpower, which is intervening for reasons that are morally sound but pragmatically weak.

I watched this dynamic play out in Lebanon, where the Maronite Christians dreamed that a great power would rescue them from their geographical fate of living next door to a brutal Muslim-led Syria. The Lebanese Christians imagined at various points that the French could save them, or the United States, or Israel or the Vatican.

Two potential deliverers — Israel and the United States — actually went to war on their behalf. But the regional bully, Syria, had a staying power that we Americans lacked. Lebanon regained stability only with the Taif agreement of 1989, which implicitly recognized Syria's hegemony.

The Balkans in the 1990s have provided a stark example of the power of the weak, through their very suffering and powerlessness, to gain international support. The Bosnian Muslims turned their victimhood in Sarajevo into a kind of weapon — really their only weapon — against the regional bully, the Serbs. The great powers finally sent in troops to enforce a shaky peace agreement. But the fact remains that a stable Bosnia can exist over the long run only if it reaches an accommodation with a Serbian-led Yugoslavia, which will remain the dominant force in the Balkans.

Now in Kosovo, NATO has embarked on what may prove the most dangerous test yet of this regional power dynamic. With Western support, the Kosovo Albanians came to believe that they were a potent force — to the point that they actually balked at signing the

Rambouillet peace deal we had negotiated on their behalf. This week, the images of desperate Kosovo refugees fleeing their homes are a reminder of the moral obligations that great powers assume when they make threats and promises on behalf of weaker groups.

We have no choice now but to wage war to protect the people whose lives are at risk — in part because of our hastily considered diplomatic and military strategy. To leave them to die, after they trusted in us, would be unforgivable.

But as we begin to think about the future of the Balkans, we should bear in mind the lesson that was learned, at great cost, by a generation of would-be peacemakers in the Middle East: Great powers cannot impose peace when the parties on the ground are not ready to make peace themselves. We cannot override their intransigence with our goodwill. History also teaches that when we rashly promise military intervention, we risk hamstringing most the very people we want to help.

The Washington Post.

A Plea for a Chinese Dissident

By Xu Jin

THE visit to the United States by Prime Minister Zhu Rongji of China is an important opportunity to raise the case of my father, Xu Wenli, and other imprisoned members of the China Democracy Party, including Wang Youcai and Qin Yongmin.

In 1981 my father was sentenced to 15 years in prison for publishing a newsletter and advocating free speech as a leading member of China's pro-democracy movement. He was charged with "counter-revolution," a crime that no longer exists in Chinese law. In 1993 he was released but kept under virtual house arrest.

In November 1998 my father peacefully organized the Beijing-Tianjin branch of the China Democracy Party. All of his actions were closely monitored. But all he did was to help China have a better, more open system. Now he is in jail for what he believes in. What are his "crimes"? He published statements express-

ing dissatisfaction with one-party dictatorship. He called for autonomous trade unions and a change in the electoral system. He did everything openly, legally and peacefully. My father's actions were fully protected by the International Covenant on Civil and Political Rights, which China signed in October 1998, and the UN Universal Declaration of Human Rights.

On Dec. 1, 1998, after a three-hour trial, the Beijing People's Intermediate Court sentenced Xu Wenli to 13 years in prison for subverting the power of the state. The trial was a sham. The Chinese government has violated its own laws by putting my father in jail. The government claimed that the trial was "open," but only my mother got a ticket to attend, and she was told not to take notes. Other friends, the foreign press,

international human rights organizations and foreign diplomats were denied access. My father is an innocent man, though he did not appeal his sentence. He has said that by appealing, he would legitimize the whole judicial procedure, when there is no independent and free judiciary in China. There is no rule of law. Justice in China bends to the will of the country's leaders.

It is hard for me to go to sleep every day and think my father is suffering in jail. I ask for President Bill Clinton's help in calling for my father's release and urging the Chinese government to take steps immediately to improve the conditions of his imprisonment. I also ask for help in seeking an end to the harassment of my mother, He Xintong, who lives in Beijing.

The writer is the daughter of Xu Wenli. She contributed this comment to The Washington Post.

Herald Tribune
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen of the Board

PETER C. GOLDMARK JR., Chairman and Chief Executive Officer
RICHARD WOOLDRIDGE, President and Chief Operating Officer
MICHAEL GETTLER, Executive Editor

• WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor
• KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors
• ROBERT J. DONAHUE, Editor of the Editorial Pages
• JONATHAN GAGE, Business and Finance Editor
• SAMUEL ABT and NICK STOUT, Associate Editors

• RENÉ BONDY, Senior Vice President and Chief Financial Officer
• DIDIER BRUN, Circulation and Development Director
• STEPHEN DUNBAR-JOHNSON, Advertising Director • IAN WALTHER, Marketing Director
Directeur de la Publication: Peter C. Goldmark Jr.

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel: (1) 41.43.93.00. Fax: Subscriptions: (1) 41.43.92.10. Advertising: (1) 41.43.92.12. News: (1) 41.43.93.38.
Internet address: <http://www.ihb.com> E-Mail: ihb@ihb.com

Editor for Asia: Michael Richardson
5 Canterbury Rd., Singapore 119800. Tel: (65) 472-7769. Fax: (65) 274-2334
Managing Director, Asia: Nigel I. Oakley
#1201, 191 Javel Road, Hong Kong. Tel: 852-2922-1188. Fax: 852-2922-1190
General Manager, Germany: Thomas Schiller
Friedrichstr. 15, 60225 Frankfurt, Tel.: +49 69 971250-0. Fax: +49 69 971250-20
Regional Director, The Americas: Michael Gage
850 Third Ave., New York, N.Y. 10022. Tel: (212) 753-3800. Fax: (212) 755-8785
U.S. Advertising Office: 400 Market Walk, London E14 9TP. Tel: (171) 510-5700. Fax: (171) 987-3451
S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732621126. Comptabilité Partenaire No. 61337
©1999, International Herald Tribune. All rights reserved. ISSN: 0294-8022.

...hu Goes
Campaign

OPINION/LETTERS

Netanyahu Goes Too Far With a Campaign of Fear

By Uri Dromi

JERUSALEM — Traffic in Jerusalem is usually heavy, so no wonder, one day late last month, it only took minutes for the line of black cars to bring everybody to a halt. The taxi driver asked me if I knew what was going on. A state visit, perhaps? I guessed these were the European ambassadors in Israel, coming to see Foreign Minister Ariel Sharon.

A week before, in Berlin, the European Union declared its unequivocal support of the Palestinians' right to declare a state. Now it was Israel's turn to tell the Europeans to mind their own business. Let them solve Kosovo first.

The driver couldn't care less. A Palestinian state? Everyone knows that sooner or later there will be one, he mused, so what was all this fuss about? Maybe, he said, once the Palestinians have a state of their own, they'd just leave us Israelis alone. We might even be better off, he concluded.

I decided to walk. As I slammed the door, I noticed a sticker on the back of the cab: "Netanyahu. A Strong Leader for a Strong People."

True to his image, Prime Minister Benjamin Netanyahu, when denouncing Europe for its approval of a Palestinian state, used even stronger language than Mr. Sharon did with the ambassadors. "It is a shame," he declared, "that Europe, where a third of the Jewish people were killed, should take a stand which puts Israel at risk and goes against our interests."

Invoking the Holocaust and exploiting it for election purposes is a questionable tactic, indeed. Mr. Netanyahu, however, is desperate to put fire into the dormant campaign. With elections a little more than a month away, his main rival, Ehud Barak, might turn the staggering Israeli economy into a winning card. That is why the prime minister tries to frighten us with a demon called Palestinian state.

Does Mr. Netanyahu really believe that a small, demilitarized state, economically dependent on Israel, would possibly pose an existential threat to its mighty neighbor? He does. Just read his book, "A Place Among the Nations." It is about anything except Israelis and Palestinians living side by side in peace, in their respective states.

The Israelis, however, do not

seem to fully agree with their prime minister. According to recent surveys conducted by Tel Aviv University, most Israelis would not lose a good night's sleep over the threat of a Palestinian state. Their greatest fear, rather, is the possibility of Iran or Iraq having nuclear weapons. A Palestinian state does not even rank second on the Israeli horror list. Israelis are more concerned about the widening rifts between haves and have-nots, between Orthodox and non-Orthodox Jews, between Arabs and Jews in Israel.

Another survey, carried out precisely when Mr. Netanyahu and Mr. Sharon were reprimanding Europe, shows not only that more than two-thirds of the Israelis believe a Palestinian state will be established, but that there is a slight majority of them who actually think the Palestinians deserve a state of their own.

Why, then, does Mr. Netanyahu, using rhetoric of the 1980s, insist on raising the empty threat of a Palestinian state? Is it possible that such a sharp politician can't hear what even his supporters, like my taxi driver, are saying?

If so, then when he and his American adviser Arthur Finklestein, a master of negative campaigning, find out they are not getting the desired results, they might try to put some more fear in the hearts of Israelis. Last time, they came up with television ad showing a breaking glass with then-Prime Minister Shimon Peres holding hands with Yasser Arafat. The caption read: "Peres Will Divide Jerusalem." Cheap and nasty as it was, it worked.

This time, they will have to go one step further, perhaps showing wreckage of an airplane that had just taken off from Ben-Gurion airport, near Tel Aviv, presumably shot down by missiles launched from the nearby Palestinian state.

But even an image such as that may not work for Mr. Netanyahu, because, as the surveys show, for the first time in four years, more than 50 percent of Israelis believe that the Arabs would not want to destroy Israel even if they could.

The writer was the director of the Israeli government press office from 1992 to 1996. He contributed this column to the International Herald Tribune.



LETTERS TO THE EDITOR

The 'Other' Serbia

Stephen Rosenfeld's commentary ("Look Again: Resist the Temptation to Demonize the Serbs," March 29) was a welcome, if belated, effort to level the editorial playing field that has been sadly skewed since this round of Balkan war erupted nearly a decade ago. From the start of this horror mess in 1991, the "other" Serbia that Mr. Rosenfeld describes has had too few articulate spokesmen — or journalists have failed to seek them out.

Fifty-eight years ago, Serbs rose up to bring down their own government, which had signed a pact with Hitler under great pressure from the Axis powers. These Serbs became the allies of the powers opposing Nazism for the duration of World War II and at a crucial point kept German divisions tied up in the Balkans for weeks, slowing the German assault on Russia.

The NATO countries apparently have forgotten this bit of history. They have embarked on an arrogant, reckless policy that seems determined to alienate the Serbs, who are essential to making peace in the region.

With its bombing campaign, the North Atlantic Treaty Organization is giving the Albanians of Kosovo reason to dream that they, too, can have an independent state, carved out of Serbia's medieval heartland. The allies dis-

miss Serbia's objections to this scenario and further inflame its beleaguered and unbalanced nationalism with talk of arming and training the Kosovars.

Allied strategy fails to consider that both sides in this conflict believe their causes are just and that both are drawing upon entrenched ideologies and values.

If NATO is serious about promoting peace it must pause in its bombing and get both sides back to the negotiating table at once, enlisting Russia as an honest broker to reason with the Serbs.

And, not too far in the future, the partition of Kosovo should be considered, keeping the area with the most monasteries and churches that are Serbia's medieval legacy in the Yugoslav federal republic and giving Albanians control of the remaining territory. Though sad, this — and not NATO bombing — may be the best of the bad options available.

JOAN McQUEENEY MITRIC
Kensington, Maryland

'Republican Physics'

In the 1920s, the Bolsheviks characterized Einstein's theory of relativity as "bourgeois physics." Now we are faced with a new phenomenon: "Republican physics." After a decade of fruitless research and the expenditure of billions in military laboratories to develop an anti-missile "un-

brella," Republicans in the United States are calling for a massive revival of this effort.

The Clinton administration has even been castigated for failing to threaten the North Koreans with this unattainable weapon.

FREDERICK G. SCHAB
New York

Overlooked Books

Regarding "Is the Information Age Making Us Any Wiser?" (March 16):

To write that "at the height of the Renaissance, there were people who could claim plausibly to have read every important book ever written" ignores the extensive literature of the Arabs and Persians, to say nothing of the innumerable Hindu works of religion, poetry, drama and philosophy. By the 15th century in China, any moderately well-off scholar had a library larger than the 199 books of Queens College in 1472.

JOHN RAY
Fontenay-Trésigny, France

Letters intended for publication should be addressed to "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Real Ties Being Destroyed During 'The Internet War'

By Ellen Goodman

BOSTON — There are times in my life as a frequent flier when I glance at the plane phone and wonder: What would I do if this plane were in trouble? Would I call home? Would I reach out to make a final contact?

I think of the doomed climber on Mount Everest who talked by radio-telephone link to his wife as he

MEANWHILE

died three years ago. He was hopeless, on an icy mountain in Nepal. She was helpless, in a cozy home in New Zealand.

These are not ordinary events or everyday fantasies. But it seems to me that all the new tools of communication tease us with the possibility that we can reach out, especially in a crisis, over vast distances and deep gulfs of experience. We can make a human connection.

Now this expanding technology is changing our experience of that deepest human crisis, war, and feeding another illusion. We are knee-deep in what has been dubbed "The First Internet War."

The Vietnam War was The First TV War. Historians tell us that the images beamed into living rooms made us Americans rebel. Maybe so, or maybe that is when we learned that you could get up from the sofa during a battle and get a Coke. The Gulf War was a first, too. The First Live War, broadcast in CNN time and "You Are There" color. It, too, brought war home — or let us be comfortable voyeurs to a live fireworks show over Baghdad.

The conflict in Kosovo is a chat-room war, an e-mail war, a Web-site war, a war in which anyone with a personal computer and a phone line can become a correspondent. A war in which anyone with a PC and access to the Internet can log on to the war zone. It is the human-to-human connections that make this war correspondence unique. An ethnic Albanian e-mails his story to whom it may concern:

"When darkness comes I will have to leave my home again and find some place to hide."

A Macedonian writes into the ether about the refugees in her house, especially the little boy who puts some of every meal in a plastic bag to save for his missing father.

On the Albanian border, a Serbian monk sets up a Web site. In Belgrade, an architect laments the destruction of buildings created by a follower of Le Corbusier.

A physicist educated in the United States writes long, urgent e-mails insisting, "We are all so similar deep down."

And a high school boy in California holds onto the messages from an Albanian high school girl in Kosovo about fear and music; life under siege and "the luckiness I feel for just being alive."

The only people not logging on, it seems, are the desperate refugees in camps and fields. But there is a true disconnect, an odd duality, in the notion of an Internet War. The Internet in all of its immediacy gives us the impression that we live in a world that is growing smaller by the day, more high-tech by the week. The war in the Balkans tells us about a world in which people are splintered by hatred as ancient as tribes.

The Internet makes us believe that we can be in touch all the time. War teaches us about the devastating breakdown of ties, the bleak refusal to understand.

Those who linger on-line may think of themselves as citizens of the world. But the warmongers talk of "ethnic cleansing." The Internet breeds a population at home in cyberspace; the war creates hordes of homeless refugees.

And even as the Internet watches take pride in erasing time zones, they remain as disconnected from the war victims and the brutality that surrounds them as a wife in New Zealand was from a husband on Mount Everest.

Albert Einstein once said that the atom bomb "has changed everything save our modes of thinking, and thus we drift toward unparalleled catastrophe." The Internet has changed much about the way we can communicate. Yet in this most recent drift toward catastrophe it does little to change the old modes of thinking, the ancient habit of hating.

So we log on and log off this war at will. Meanwhile, a video artist about to escape Belgrade writes in her e-mail diary: "And the news is really bad. ... If there will be no more electricity, I'll continue sending messages through the clouds. Someone may catch it."

The Boston Globe

BOOKS

FREDY NEPTUNE

A Novel in Verse

By Les Murray. 255 pages. \$25. Farrar, Straus & Giroux.

Reviewed by Richard Eder

FREDIE BOETTCHER, an Australian farm boy of German descent, runs off to sea before World War I. In Constantinople he contracts leprosy; the disease is arrested, but it leaves him unable to feel pain or any other physical sensation in most of his body.

This physical blankness plus enormous strength attend a wildly extravagant career. He is impressed into the German Navy, serves at a British cavalry station in the Middle East (he meets Lawrence of Arabia and judges him a popinjay), works as a rough laborer back in Australia and as a circus strongman (where he gets the name Fredy Neptune), and goes on a weird gangster mission to the United States.

He rides the Depression rails, becomes a Hollywood extra (Marlene Dietrich brings him lunch and recites Rilke), serves on a German zeppelin, beats up brownshirts in Bavaria, is strafed by Japanese planes in World War II and scouts with Australian commandos in New Guinea. Finally, he settles back home with his patiently resourceful wife, two grown children and a mentally impaired German boy he has rescued years before from a Nazi sterilization squad.

All this (I've been chokingly succinct) makes "Fredy Neptune" sound like an antipodean Tintin. Yet the subtitle suggests that this suspiciously hyper-picaresque rickshaw through the bells of our century is a novel disguised as a poem. In fact, it is a poem disguised as a novel disguised as a poem.

Les Murray, neither cartoonist nor novelist, is Australia's most distinguished poet. At the heart of "Fredy Neptune" is a heart that only quite reveals itself toward the last of its 10,000 blank-verse lines, is a notion so audacious and unnerving as to belong to

poetry's flash of transforming revelation, not fiction's tidal sea-changes.

Part of the revelation is the meaning of Fredy's physical numbness. We know it has a metaphorical purpose from the beginning. Soon we realize that his role is to be a witness to the terrible events of history. No detached witness, Fredy launches himself at every outrage as well as he can, which is not very well. He is a Superman who can't fly, a Paul Bunyan attended by the timeliest of blue calfeins. Numbness is his only strength, the very condition of sentence. When the body can't feel, the mind is free to feel everything; there is no pain to trip the circuit breakers of shock.

"Fredy" is only 255 pages, yet so much is packed in each line (a page would be a chapter of a regular novel) that it seems of epic length. That is far for the numbness metaphor to extend. Metaphors are leaps; in an instant they carry us past 30 minutes of explanation. In "Fredy" we may find ourselves trudging with the metaphor on our back, until the end, when it launches into full flight.

The quality of the adventures varies. The first 80 pages ring an entrancing set of changes from the very first line ("That was sausage day on our farm outside Dungog") to Fredy's return to Australia after the German Navy, a Berlin hospital and a flight with a British airman on what turns out to be a quail shoot against trapped Turks, one that Fredy forcibly terminates.

His struggles to support a family in Depression-wracked Australia are well told, if less exciting. His adventures in the United States, on the other hand, are both excessively fantastical and inert. The intensity of the verse form magnifies the flaws.

Still, Murray's way with language and imagery is thrilling when it has action and character to sustain. He has given his protagonist a biting plebeian voice, a vernacular that soars. Here is Fredy describing an attack by spidery World War I planes in Palestine:

Three came straining over from down south, rocking, hanging

their pony-trap wheels.

In front of those north hills they stopped and braced above ground on their guns' funny penciling.

He speaks of his estranged body, insensible to pleasure (his sexual partners have to tell him when he's ready and when he's finished) and pain. To avoid suspicion, he learns to "curse when burnt, hunch when you see it's cold" and "remember to get tired."

The real meaning of Fredy's condition lights up at the end, igniting circuits laid earlier. We realize what the physical deadness signifies: not only defense but atonement for the world's evil. His leprosy struck him in Constantinople when Turks doused a group of Armenian women with kerosene and set them alight. "Dark wicks to great orange flames/whopping and shrieking."

Its numbness fits, finally, only after the final horror: the mushroom clouds over Japan, whose lethal whiteness Fredy prefigures in his own long white-out. Despairing, he asks how to pray. The answers are shocking: "Forgive the Aborigines." "A voice tells him. Then, 'Forgive the Jews.' Then, 'Forgive women.'" ("Those burning?" he asks. "All women," the voice replies.)

It is brilliant, it is awful. Wrong-headed? Suddenly Murray shatters a deadly contemporary cycle of evil and apology — Holocaust, apartheid, slavery, Guatemalan genocide. There is something freezingly inert about apology: a way of getting off cheap, of clothing evil with virtue and, even, a new aggression against the victims.

Forgive the Jews, the Aborigines, the Guatemalans? Why? "For being on our conscience." Yes, it is wrong-headed, even literally: It stands reason on its head. Murray blasphemes, but then poets do have the license. Virtuous answers doze off; a poet can provide dreadful questions to jolt them awake. Literature is an ax wielded against the frozen sea within us, Kafka wrote. Murray's ax is barbarous but something has just cracked inside me.

New York Times Service

BRIDGE

By Alan Truscott

NEARLY all the top seeds survived in Vanderbilt Knockout Team play at the Spring Nationals of the American Contract Bridge League in Vancouver, British Columbia. The only exception was the 10th-seeded team of Bart Bramley, Sidney Lazar and Howard Weinstein and Steve Garner, all of whom won bronze medals in the 1998 world championships and played in Vancouver with Hugh Ross and Peter Nagy. They lost by 36 points to Mitch Dumit, Jill Meyers, Steve Dumit, Allan Falk, Dick

Bruno and Jeff Schmitt.

The second-seeded team of Richard Schwartz, Bob Goldman, Steve Weinstein and Bob Levin suffered the biggest upset, losing by 20 to a group with a New York City nucleus: Nicholas Hartung, Dan Piro, Gene Prosnitz and Ira Ewen. Piro, a former New Yorker who now lives in California, brought home a doubled contract on the diagrammed deal.

He opened with a weak no-trump as South, and his partner transferred to spades by bidding two hearts. West doubled for takeout, and East decided that his best chance lay in defending. West led his singleton spade, trying to cut

down ruffs, and South won with the ace and led a heart. West played low; and when the queen won, South ducked a club to West.

A low diamond was returned, and South won with the king in dummy. He crossed to the club and led a second heart. West took the ace and played a third club, and South ruffed in dummy and cashed the heart king. A diamond to the ace and a diamond ruff gave him eight tricks, and he conceded the last three to East. In the replay the same contract was made undoubled, and Piro and his teammates gained 8 imps en route to victory.

NORTH (D)
♠ 10 7 6 5 2
♥ K Q 8 3
♦ K 10
♣ 10 5

WEST
♠ A K 3
♥ A J 6
♦ Q 7 5 4
♣ K Q 7 6 2

EAST
♠ K Q J 8
♥ 10 9 4
♦ J 8 3
♣ J 4 3

SOUTH
♠ A 4 3
♥ 7 5 3
♦ A 9 6 2
♣ A 8

Neither side was vulnerable. The bidding:

North: East: South: West:
Pass: Pass: 1 N.T.: Pass:
2♥: Pass: 2♦: 2♦:
3♥: Pass: Pass: Pass:
West led the spade eight.

WWW.

PRIME SITES

WWW.

www.emdsnet.com/applynow

Will you?

MAKE THE MOST OF A UNIQUE CAREER EVENT

Antiques EXTRAORDINARY ANTIQUE FRAMES WWW.ELIWINNER.COM Find ANTIQUE SHOPPING on the Web www.persolm.com ORIENTAL COLLECTIONS ARRA www.angline.com	Franchising ADA CAR & VAN RENTALS www.ada-location.com Human Potential EVERYBODY must choose between love and money. www.love-or-money.org Immigration UK Immigration call text program www.uk-immigration.co.uk International Accountants ICAI Ltd www.icai.org.uk Email: icai@icai.org.uk Internet Portals EUROPE ONLINE www.europeonline.com Media EUROPEAN INSTITUTE of Publishing Management www.eipm.org INT'L HERALD TRIBUNE The World's Daily Newspaper www.ihl.com	Medical Services FIGHT FREE RADICALS Authentic French PYCNOGENOL on line www.pycnogel.com Moving DESBORDES INTERNATIONAL www.desbordesinternational.com Offshore Hedge Funds MAGNUM FUNDS www.magnumfund.com Real Estate CARIBBEAN / VIRGIN GORDA www.caribbeantour.com e-mail: realty@caribbeantour.com Recruitment EDUCATION & CAREER SERVICES www.int.com/IT/EDU JOBS & ADVERTS www.jobsadverts.com Research ICCI - Vienna Technology, Eastern Europe, Policy http://www.icci.org.at	Riding Treks Kolahat in May, Kilimanjaro in July www.kolahat.net Serviced Offices SERVICED OFFICES SINCE 1970 http://www.welcometowork.com YOUR OFFICE IN PARIS http://www.bto.fr Shopping American Products To Your Doorstep www.us-shop.co Telecommunications FAXAWAY www.faxaway.com INTERNET PHONE COMPANY www.intphone.com KALLBACK www.kallback.com Translations LANGUAGE PROMOTION www.language-promotion.com Travel IMPERIAL TRAVEL CONSULTANTS 15th Business Class CHEAP Flights www.imperialtravel.com A CAPE COD VACATION? www.CapeCodVacation.com GREECE ISRAEL ITALY TURKEY www.travelnet.net MOST CHARMING HOTELS IN PARIS http://www.parisvac.com Romantic Hotels & Restaurants in 77 www.romantic-hotels.com USA Tax Services FREE INTERVIEW SOFTWARE www.jobaid.com TAX HELP for US Expats Worldwide www.globaltaxhelp.com Wine CHATEAU HAUT-BRION www.haut-brion.com
---	--	---	--

WWW. PRIME SITES WWW.

List your web-site and e-mail address in our new "Prime Sites" section every Thursday.

For Rates and Deadlines, contact:

For Europe: Sarah Wershof

Tel.: +44 171 510 5748

Fax: +44 171 987 3462

For North America: Sandy O'Hara

Tel.: +212 752 3890 or 800 572 7212

Fax: +212 755 8785

email: The_INTERMARKET@ihl.com

12 Month		51st		Sis	
High	Low	High	Low	High	Low

High Low Stock Low Vol PE 100s High Low High City

12 Month		Stock	Dw		Yk	PE	Sls		Low	High	Change
High	Low		High	Low			High	Low			
10 1/2	15	BACARD	27	49	q	127	154%	154%	154%	-	
7 3/4	9 1/2	BRUT	30	6.3	q	1470	6%	6%	6%	-	
12 3/4	13 1/2	BACARD	280	6.3	q	216	11%	11%	11%	-	
10 1/2	11 1/2	BALDUCCI	500	5.8	q	116	11%	11%	11%	-	
11 1/2	12 1/2	BRICCY	500	5.8	q	104	8%	8%	8%	-	
11 1/2	12 1/2	BIRNATOR	402	5.7	q	254	11%	10%	10%	-	
10 1/2	11 1/2	BRUNA	84	8.4	q	170	10%	10%	10%	-	
10 1/2	11 1/2	BISCE	84	8.4	q	169	9%	9%	9%	-	
10 1/2	11 1/2	BIST	84	8.4	q	169	9%	9%	9%	-	
60	24 1/2	BIRCH	1.80	2.0	q	251	53%	51%	51%	+1 1/2	
51 1/2	54 1/2	BOLHR	1.80	2.0	q	4782	50%	50%	50%	-	

12 Month	High	Low	Stock	Div	Yld	PE	52	100s	High	Low	Leads	Cmp
D-E-P												
28%	1738		OST Opt			48	440	23%	27%	23%		
18%	54		OEC3 100	2,008.3		-	181	5%	6.5%	5%		
11%	1694		OEC3 17	1,81			159	23%	23%	23%		
10%	84		MEY 8	10.7			107	3%	8%			
22	31%		DPL	34 3/4		13	8730	100%	16%	16%		
44%	11%		DGE	1.52	39	27	667	39%	30%	39%	+	
24%	1079		DR Horton	123		7	10	1817	14%	16%		
20%	4%		OSP Com			26	3378	18	17%	17%		

[illegible][illegible][illegible][illegible]

Orbitad Odeis & Co is not regulated in the United Kingdom. The exception provided by the UK regulatory system does not allow and compensation under the investors' compensation

12 Month		Stock	Div	Yld	PE	Sis		Low	Latest	Chg
High	Low					100s	High			
41 1/4	36 1/4	Ecobab	.42	1.1	26	31.40	36 5/8	36 1/4	36 1/4	+ 1/8
31	21 1/4	Polsonum	1.08	4.6	121	103.20	23 3/4	23 1/4	23 1/4	+ 1/8

TICKER	12 Month		Stock	Div	Yld	PE	52 Weeks			
	High	Low					High	Low	Latest	
IBM	14 1/4	9 1/4	Global H	1.20	10.5	8	34 1/2	11 1/4	11 1/4	11 1/4
IBM	25 1/4	7 1/2	Global H	1.20	10.5	8	34 1/2	11 1/4	11 1/4	11 1/4

21%	8%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
-----	----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

[illegible][illegible]

Continued on Page 16

Direct Call
to Europe's
Central Bank

CURRY

Difficult Call For Europe's Central Bank

Pressure for a Rate Cut
Builds on Eve of Meeting

By Edmund L. Andrews
New York Times Service

FRANKFURT — Hans-Joachim Becker thought he had endured the worst, until a few months ago.

As a managing director at Barmag AG, a manufacturer of textile machinery near Düsseldorf, Mr. Becker pushed his company through a brutal restructuring that eliminated 2,000 of 5,000 jobs in 1995.

It seemed to work brilliantly. Sales bounced back to a near-record level of 1.1 billion Deutsche marks (\$609 million) last year, and profit soared 49 percent, to 75 million DM.

But now, thanks to the financial crises in Asia and Latin America, the market has collapsed. Orders for new machines have plunged 44 percent, and Mr. Becker predicts that sales this year will drop from 1.1 billion DM to 630 million DM. Two hundred people were laid off last month, and another 200 may have to go before the year is over.

"There is absolutely no investment in this business," Mr. Becker said Wednesday. "We have millions if not hundreds of millions of consumers who are not able to afford a new shirt."

Though Barmag's case is extreme, it is not unique and goes to the heart of the challenge that confronts the European Central Bank when it decides Thursday whether or not to lower interest rates.

Many analysts say that the new central bank, which has until recently dismissed the need for rate cuts, has now become sufficiently alarmed about Europe's prospects and is about to reverse course.

The same is true for the Bank of England, which has already cut interest rates several times in the past few months.

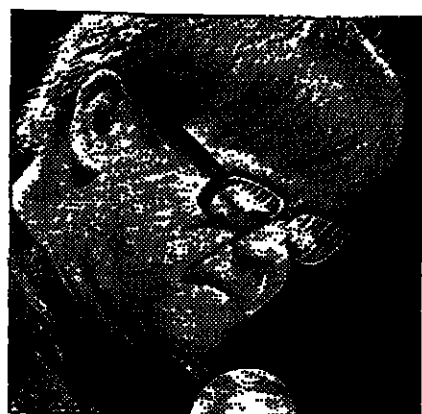
A lot is at stake. As guardian of the new European currency, the euro, the European Central Bank is worried about establishing its credibility with financial markets. It must also reckon with contradictory trends: Growth is stagnant in Germany but still strong in Spain, Portugal and Ireland; business confidence is low in many countries, but consumers are more optimistic than they have been in years.

But the bigger question is whether a moderate cut in interest rates will make a big improvement. Europe's biggest problems stem from the decline in exports to Asia, Russia and Latin America, where many countries are still in deep recession, and those problems have very little to do with domestic interest rates.

"We already have an expansionary monetary policy," said Petra Koehler, a senior economist at Dresdner Bank in Frankfurt. "Monetary policy is not what is burdening the economy."

Indeed, baseline interest rates in the euro zone have been 3 percent since Europe's central banks collectively lowered rates from about 3.5 percent last December. Though Europe has reduced rates less than the U.S. Federal Reserve Board, the baseline rate is still about 170 percentage points lower than the federal funds rate.

But Germany's problems have been aggravated because its principal source



Universal Music's artists include, from top, Elton John; U2 and its lead singer, Bono; and Herbie Hancock.

2 Largest U.S. Record Companies Join to Market Music on the Web

Universal-BMG Venture Will Build Off Several Existing Sites

By Saul Hansell
New York Times Service

NEW YORK — The two largest U.S. record companies, Universal Music and BMG, announced Wednesday that they were forming a joint venture to create Internet sites to promote and sell music.

The move recognizes the growing importance of the Internet, both in building an audience for musicians and in selling music. This year, an estimated 2 percent of the compact disks sold in the United States will be bought over the Internet.

The Universal-BMG venture will build off several sites where BMG has already started to promote its artists, industry executives said. These include Peeps.com, a rhythm-and-blues site; Bugjuice.com, for alternative music; and Twangthis.com, for country music. Universal Music artists in each category will be added to these and other sites.

These genre-based sites will feature information about and interviews with artists, chat rooms for fans and live music broadcasts. The companies hope to attract a large audience because, as record companies, they have access to better information about artists than other retail sites. Besides promoting their own records, they will probably sell advertising.

Moreover, these sites will link users to a new Internet music store established by BMG and Universal called Getmusic.com.

Unlike the genre sites, which will promote only Universal and BMG artists, Getmusic will also sell the music of artists from the other major labels and independent record compa-

nies. BMG is part of Bertelsmann AG, the German media conglomerate, and has labels such as Arista, Elektra, Nonesuch and BMG Classical and artists including Whitney Houston, Puff Daddy and Sarah McLachlan.

Universal Music Group is an arm of Seagram Co., which bought PolyGram NV last autumn, and has labels such as MCA, Geffen, Def Jam, Mercury, Motown and A&M, with a roster of artists ranging from Elton John to Herbie Hancock to U2.

In the United States, Universal is

The move recognizes the growing importance of the Internet, both in building an audience for musicians and for selling music. It is one of the most positive things that could happen.

the largest record company, with a 27 percent share of the market. BMG is second, with 17 percent.

A few years ago, it would have raised eyebrows for a manufacturer of any product to compete with its dealers by opening an on-line retail enterprise. But the Internet has caused many companies to open channels for direct sales.

Bertelsmann, which also owns Random House, the largest book-publishing company in the United States, has bought half of Barnesandnoble.com, the on-line bookstore. And Time Warner Inc.'s Warner Music and Sony Music — the third- and fourth-ranked labels — have already opened a joint music store, called Total E, which is run through the Columbia House music club and is owned by the two companies.

Total E, however, has had relatively

little effect on the market so far. The two leaders in on-line music sales are CDNow, which recently bought its rival N2K, and Amazon.com, the big on-line bookstore.

The Universal-BMG deal "is one of the most positive things that could happen," said Jonathan Diamond, the chairman of CDNow.

"It is further validation of the Internet as a major promotion and retail channel."

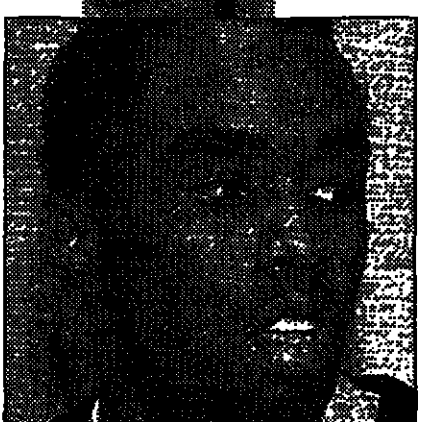
This deal sets the stage for record labels to allow people to download music to their computer.

Currently, there is a frenzy among Internet users who are downloading illegal copies of songs using a technology called MP3. The record industry is trying to develop an alternate technology that will prevent copying without paying royalties to the labels and artists.

For now, Getmusic.com will not offer digital downloads of music, but they may be added later, when record-industry standards are settled.

While opening an on-line store is relatively easy, getting business is not. Amazon.com, for example, continues to leap further and further ahead of Barnesandnoble.com. And in its first full quarter of selling music, Amazon, with its rapidly growing customer base, sold more compact disks than either N2K or CDNow.

But the newly merged CDNow has some advantages that the new Getmusic.com will not be able to duplicate easily. It has 1.6 million customers (still well short of Amazon's 8 million) and exclusive promotion deals on most of the more popular sites on the Internet, including America Online, Yahoo! and Excite.



BMG's artist roster includes, from top to bottom, Whitney Houston, Sarah McLachlan and Puff Daddy.

A Powerful Mexican Partnership Ends as Televisa Stake Is Sold

By Julia Preston
New York Times Service



Alejandro Burillo Azcarraga, left, and Miguel Aleman Magnani shaking hands after the deal was announced. Emilio Azcarraga Jean is at center.

MEXICO CITY — In a momentous but amicable parting of two of Mexico's most powerful business dynasties, the Aleman family is selling its 14 percent stake in the holding company that controls Grupo Televisa SA, the largest broadcast network in Mexico.

The Aleman family's decision was disclosed Tuesday at a ceremonial news conference by the two young men who recently took control of their family empires. Miguel Aleman Magnani, 32, is a vice president of Televisa and grandson of a former president of Mexico; Emilio Azcarraga Jean, 31, is Televisa's chairman and the son of a legendary entrepreneur who built the company from a string of radio stations into a huge conglomerate.

The sale of the Alemans' share of Grupo Televisión SA de CV, the holding company, decisively consolidates the dominance of the Azcarragas in Televisa, reinforcing the control of Mr. Azcarraga Jean in a sometimes uncertain transition after the death of his father in April 1997.

Both Mr. Aleman Magnani and Mr.

Azcarraga Jean took pains to insist that their separation was friendly.

In fact, dispelling the rumors of quarrels between the families, whose Televisa partnership dates back 30 years, appeared far more important to them than disclosing the financial details of the transaction.

Mr. Azcarraga Jean said that because Televisión was a private company, the families had agreed not to disclose the share price to be paid for the Aleman holding.

Nor would he say how Televisión, which is carrying \$533 million of debt after a revamping in February, planned to finance the purchase, valued at about \$200 million based on Televisa's latest share price. He said that several options existed and that the Aleman family was not pressing for a quick decision.

"I would be very surprised if there is any more debt capacity there," said Tim Baker, director of research for Warburg Dillon Read in Latin America. The agreement with the Alemans leaves open the door for a major new partner.

Xavier Von Borstel, a Televisa executive, said there was "no way" that minority shareholders would be hurt by the deal.

Mr. Aleman Magnani said it was his choice to leave Televisa to start a new group of Aleman businesses.

"Now it's my turn," he said, recalling how he had agreed to stay in Televisa to help Mr. Azcarraga Jean secure his grip after his father's death. Mr. Aleman Magnani did not say what kind of enterprise his new group would undertake.

Before Tuesday, Mr. Azcarraga Jean and his family owned 72 percent of Televisión, which controls 26.5 percent of the voting shares of Televisa.

Mr. Aleman Magnani dismissed speculation that his father, Miguel Aleman Velasco, wanted to get out of Televisa to stifle possible criticism if he runs for president of Mexico next year. Opposition parties complained that favorable coverage of Mr. Aleman Velasco by Televisa helped him win election as governor of the state of Veracruz last year.

Working against steep odds, Mr. Azcarraga Jean has surprised many analysts with the turnaround he achieved at Televisa, which his father ran as a personal fief. Mr. Azcarraga Jean pared the work force to 16,500 from 23,000 and shaved other costs while widening Televisa's ratings advantage over television Azteca, its main competitor.



Yevgeni Primakov at a cabinet meeting Wednesday.

Russians and IMF Open Crucial Talks

By Neela Banerjee
New York Times Service

MOSCOW — The International Monetary Fund and the Russian government began a critical round of negotiations Wednesday aimed at completing an economic program and loan package to avert the possibility of a Russian default on its foreign debt.

With its Treasury and central bank reserves depleted by the financial crisis that struck in August, Russia hopes to persuade the Fund to refinance about \$4.8 billion in loans coming due this year, most of them in the second and third quarters.

The country also needs an economic program approved

by the IMF to restructure nearly \$17 billion in debt payments it owes to a group of Western lenders.

If Russia fails to get the Fund's approval, it is likely to default on all its foreign debts.

"Time is running out for Russia," said Christopher Graunville, a strategist for the Russian subsidiary of Robert Fleming, a British brokerage. Russia has been wrangling with the IMF for months to win new loans to refinance its debts.

A breakthrough of sorts came last week when Michel Camdessus, managing director of the Fund, and Prime Minister Yevgeni Primakov issued a joint statement after a

meeting, noting that both sides had agreed to a primary budget surplus of 2 percent of the gross domestic product in 1999 "and most of the measures needed to achieve it."

It is now up to the Russian cabinet and a IMF delegation of economists that arrived here Tuesday to work out the details of those measures, which are of a sort that is consistently among the toughest obstacles to completing aid packages.

At the heart of the problem is a budget shortage of about 30 billion rubles (\$1.19 billion), Russian economists estimate.

To reach an agreement with the Fund, Moscow must find ways to raise enough revenue to fill the gap, including taking such unpopular steps as imposing a tax on gasoline or export tariffs on metals and other raw material.

Changes in the tax code must be approved by the Communist-controlled lower house of Parliament, which opposes legislation linked to the IMF.

Russia's strained relations with the West, especially the United States, over NATO attacks in Yugoslavia will make things even harder.

The Russian legislators recently undermined IMF talks by voting for a cut in the value-added tax, which accounts for nearly half of budget revenue, according to the Russian-European Center for Economic Policy, a research group.

Skittish so far about entering into a long battle with Parliament, Mr. Primakov's cabinet has taken "a salami-

slicing approach to negotiations with the IMF," said a Western diplomat, speaking on condition of anonymity.

"Instead of developing a few major efforts to discuss with the IMF," the envoy said, "the Russians come up with 400 nickel-and-dime measures that grind down their opponents across the table. It shows a political weakness."

Despite the government's waffling, most economists in Moscow say that the IMF and the Russians will announce an economic program in the coming days and that the Fund's board will approve the new credits at its meeting at the end of this month.

Clearly, neither side wants a default. Russia owes the IMF \$19 billion, making it one of the lender's largest debtors. For the IMF and its major contributing nations, a default by Russia would signal the failure of their efforts to nurture market capitalism.

For Moscow, default could cause another round of possibly disastrous economic and political upheaval.

Tax Collection Report

The Russian cabinet told IMF negotiators of a modest success in tax collection. The Associated Press reported from Moscow.

The minister of taxation, Georgi Boos, said the Russian government collected \$2 billion rubles in taxes during the first quarter of this year, slightly above the target of 48.8 billion rubles.

CORUM

ROMVLVS

A true classic with "Roman hours" hand engraved.

18 ct gold or steel.
Corum, 2301 La Chaux-de-Fonds, Switzerland, fax +41 320 670 800.
Internet: www.corum.ch, e-mail: info@corum.ch

CURRENCY RATES									
April 7									
Cross Rates									
	\$	£	SF	Yen	CS	Dane	Greek	Swede	
London (cl)	1.5925	—	2.3585	193.25	2.3934	10.9815	479.59	12.2127	
New York (b)	—	1.5960	1.4818	121.375	1.4967	6.8862	301.23	8.268	
Tokyo	120.70	192.18	81.95	—	80.32	17.60	N.Q.	14.67	
Zurich	1.5993	2.3924	1.0119	1.2355	—	0.2173	0.4974	0.1808	
Frankfurt	1.479	2.3647	—	1.2199	0.9854	21.481	0.4916	0.1786	
One euro	1.0812	0.6772	1.5952	131.27	1.6246	7.4313	324.95	8.929	
One SDR	1.3499	0.8514	2.009	164.15	2.0294	9.3454	410.61	11.1737	
Other Dollar Values									
April 7									
Argentine peso	0.9995	Hong. dollar	236.51	N. Zealand \$	1.8832	Slov. koruna	41.41		
Australian \$	1.5973	Indian rupee	42.675	Norw. krone	7.753	S. Afric. rand	6.1675		
Brazilian real	1.73	Indo. rupiah	8750.0	Pakistani rupee	50.42	S. Korea won	122.27		
Canadian peso	48.55	Israeli sheq.	4.0227	Phil. peso	38.44	Taiwan \$	33.10		
Chinese yuan	8.275	Kuwaiti dinar	0.303	Polski zloty	1.99	Thai baht	37.36		
Czech koruna	35.75	Latvian pound	1.506	Romanian leu	25.10	Turkish lire	375.28		
Egypt. pound	3.4089	Malay. ringg.	3.7999	Saudi riyal	3.753	UAE dirham	3.671		
Hong Kong \$	7.7409	Mexican peso	9.508	Singapore \$	1.735	Venez. boliv.	553.00		
European Cross Rates									
Intro-EMU rates are permanently fixed									
	DM	Fr	FF	DM	Fr	FF	DM	Fr	FF
Belgium	12.7427	37.574	5.5368	4.0774	1.8121	0.2729	1.9932	2.8477	16.574
Denmark	20.3709	59.458	8.707	9.4942	3.8055	1.1629	1.6154	3.2558	28.258
France	9.30	3.3641	21.39	19.36	66.85	16.691	6.75	59.20	6.65
Germany	—	34.7109	2.316	2.0977	2.0055	17.492	0.7107	6.5462	8.2701
Greece	2.9704	—	4.7647	61.498	20.6255	31.221	2.0834	18.254	20.1215
Ireland	0.6251	14.7391	—	0.7064	3.04	7.5405	0.3071	2.0861	2.9657
Italy	0.8267	16.4805	1.002	—	3.559	8.2389	0.3588	2.9765	3.2719
Netherlands	0.121	4.8364	0.3229	0.2082	—	2.4054	0.19	0.8523	0.3758
Portugal	0.0202	1.8323	0.1235	0.17	0.0227	—	0.0489	0.3574	0.3928
Spain	16.2537	16.2537	25.564	29.16	199.02	2.4834	—	876.64	45.81
Sweden	0.1370	6.4529	0.2764	0.133	1.1252	0.7981	0.1128	1.0972	1.2345
Switzerland	14.8364	49.08	22.7197	30.523	105.51	24.554	10.354	10.9748	120.49
United Kingdom	12.0117	41.484	27.994	28.345	85.0718	211.27	1.5973	75.8227	82.993

Euro Values									
Fixed rates of the EMU member currencies, for one euro									
Austrian schilling	13.7603								
Belgian franc	40.3399								
French franc	6.55957								
German mark	1.93607								
Irish punt	7.87564								
Italian lira	1,936.27								
Portuguese escudo	200.482								
Spanish peseta	166.386								

EUROPE

BNP to Persist in Bid for Paribas and SocGen

PARIS — Banque Nationale de Paris SA vowed Wednesday to persist in its bid to take over Societe Generale SA and Paribas SA, even after both banks rejected the unsolicited offer.

The plan for a three-way grouping of BNP, SocGen and Paribas "is far too important to be abandoned," BNP's chief executive, Michel Peberre, said in an interview on the French radio network Europe 1.

"Today on the stock markets," he said, "if you're too small, you're being swallowed."

At separate meetings Tuesday, Societe Generale's board of directors and the supervisory board of

Paribas turned down BNP's bid, which was made March 9. The companies urged their shareholders to support the plan for a friendly merger of Societe Generale and Paribas that was announced Feb. 1.

But the votes rejecting the BNP offer were not unanimous. Societe Generale said one board member had voted against rejecting BNP's offer. At Paribas, two voted against rejecting BNP and two abstained. Each board has 18 members.

Claude Bebear, the AXA SA chairman who sits on both boards, voted against the rejection, an AXA representative said. AXA owns about 6 percent of BNP and 7 percent of Paribas. Societe Generale named

Mr. Bebear to its board when it announced its bid for Paribas. At that time, Mr. Bebear favored the project, but he now backs BNP's offer.

The other negative vote on Paribas's board came from Jean Candois, former president of the French employers' federation, and the abstentions came from the two employee representatives, AXA said. Mr. Candois, who is also on BNP's board, was unavailable for comment.

The rejection by the Paribas and Societe Generale boards is merely a recommendation to shareholders, an obligatory step in France. BNP can continue signing up Societe Generale and Paribas shareholders for its offer, while Societe Generale can

continue trying to sign up shareholders of Paribas for its offer. Regulations allow Societe Generale until about mid-May to sweeten its offer for Paribas.

A sticking point for Paribas has been its conviction that BNP plans to sell it, either entirely or in pieces. Mr. Peberre pledged in his radio interview not to sell Paribas, which he defined only as an investment bank.

"We intend to invest in Paribas, in the teams of Paribas," he said. Societe Generale said Tuesday that the project proposed by BNP presented "major risks" for shareholders. Paribas said the same thing Wednesday.

(Bridge News, Bloomberg)

Olivetti Profit Rises as Bid Wins Support

IVREA, Italy — Olivetti SpA, whose shareholders approved a hostile bid Wednesday for its bigger rival, Telecom Italia SpA, said its 1998 profit grew, helped by earnings at its cellular unit Omnitel Pronto Italia SpA.

Olivetti, which is offering \$65 billion for Telecom Italia, said 1998 profit rose to 248 billion lire (\$138.4 million), just above the 240 billion lire it forecast in December. It earned 16 billion lire in 1997, its first year of profit since 1990.

Olivetti's earnings were also buoyed by selling a 12.5 percent stake in its telecommunications businesses to Mannesmann AG for 573 billion lire, the company said.

Olivetti, which has shed unprofitable computer units in recent years, now plans to sell control of Omnitel and its fixed-line network, Infostrada SpA, if the Telecom Italia takeover succeeds. The shareholders' meeting Wednesday approved a 2.7 billion euro (\$2.93 billion) share sale to help finance the bid.

Telecom Italia investors are to meet Saturday in Turin to vote on management plans that could scuttle the takeover.

Olivetti may deposit its bid prospectus for Telecom Italia with bourse authorities as early as Thursday, a source close to the company said Wednesday. Olivetti needs court approval from a tribunal at its corporate seat in Ivrea to do so.

Olivetti's shares closed at 2.90 euros, up 4 cents. Telecom Italia closed at 9.32 euros, down 10 cents.

(Bloomberg, Reuters)

BANANAS: WTO Decision Is a Notable Victory for U.S.

Continued from Page 1

War, when security always overrode trade spats.

This argument, however, has already gone far beyond questions of banana trade, and both Europe and the United States have considerable political capital invested in their positions.

President Bill Clinton, who has argued about the issue for hours with European officials, has cast it as a test of the authority of the WTO to mandate that nations change their trading practices. Unless he can show Americans that Europe can be forced to drop trade barriers, he argued recently, it will be impossible to forge a consensus for Congress to comply with rulings that go against the United States.

Presumably, the newest ruling paves the way for a negotiated settlement. But so far neither side has been willing to back down, and Mr. Scher said Tuesday that the United

States would impose the sanctions against European nations retroactively, to March 3.

Because it can act against only \$191 million in imports, the list of products subject to sanction — which ranges from pecorino cheese to expensive European clothing accessories — will have to be cut at least in half.

The European Union has charged that the United States is acting arrogantly, pointing out that virtually no American jobs are in dispute. The whole argument, EU officials charge, has arisen only because the chairman of Chiquita, Carl Lindner, is a powerful contributor to both Democrats and Republicans and has been pressing the United States to aid his company.

There is little doubt that Mr. Lindner's clout pushed the issue to the top of the U.S. trade agenda.

But it did not dictate the trade panel's decision in favor of the United States.

Growing Fear of Job Losses

Trade Minister Brian Wilson of Britain said Wednesday that the United States must pare down punitive export levies imposed on a swath of European goods in retribution for the EU's banana import quota system, Agence France-Press reported from London.

The minister said "innocent industries" must be spared the crippling U.S. import taxes, as fears grow of large-scale job losses caused by the U.S. tariff.

"There is no justification for American sanctions against innocent industries," Mr. Wilson said.

His comments came amid fears that the Scottish cashmere industry would suffer from the trade dispute.

"This has got nothing to do with cashmere, nothing to do with all these other industries, but purely has to do with bananas," Mr. Wilson said.

Otto Versand In U.K. Deal

Bloomberg News

HAMBURG — Otto Versand GmbH, a mail-order retailer, agreed Wednesday to buy Freemans PLC from Sears PLC of Britain. The purchase will double Otto's share of the British home-shopping market.

Closely held Versand, which also owns Crate & Barrel in the United States, did not disclose the purchase price. It said Freemans had sales of \$562 million (\$895 million) in 1998. The acquisition, combined with the Grafton chain it owns, will lift Versand's market share in Britain to 15 percent.

The purchase gives Versand, which is the world's largest mail-order retailer, a bigger chunk of an industry valued at about \$8.2 billion.

WORLD STOCK MARKETS

Wednesday, April 7

Prices in local currencies

In euros for ECU countries.

Tel Aviv

High Low Close Prev.

Amsterdam

AEX index: 304.35

Previous: 304.35

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

AER-AMRO

19.25 19.05 19.25 19.05

High Low Close Prev.

Kuala Lumpur

Composite: 254.7

Previous: 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

Kuala Lumpur

254.7 254.7 254.7 254.7

High Low Close Prev.

London

FTSE 100: 4672.95

Previous: 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

London

4672.95 4672.95 4672.95 4672.95

High Low Close Prev.

Paris

CAC 40: 4318.4

Previous: 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4

Paris

4318.4 4318.4 4318.4 4318.4</

NASDAQ

Wednesday's 4 P.M.
The 1,000 most traded National Market securities
In terms of dollar value, updated twice a year.
The Associated Press.

Law	Label	Opis
1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9
10	10	10
11	11	11
12	12	12
13	13	13
14	14	14
15	15	15
16	16	16
17	17	17
18	18	18
19	19	19
20	20	20
21	21	21
22	22	22
23	23	23
24	24	24
25	25	25
26	26	26
27	27	27
28	28	28
29	29	29
30	30	30
31	31	31
32	32	32
33	33	33
34	34	34
35	35	35
36	36	36
37	37	37
38	38	38
39	39	39
40	40	40
41	41	41
42	42	42
43	43	43
44	44	44
45	45	45
46	46	46
47	47	47
48	48	48
49	49	49
50	50	50
51	51	51
52	52	52
53	53	53
54	54	54
55	55	55
56	56	56
57	57	57
58	58	58
59	59	59
60	60	60
61	61	61
62	62	62
63	63	63
64	64	64
65	65	65
66	66	66
67	67	67
68	68	68
69	69	69
70	70	70
71	71	71
72	72	72
73	73	73
74	74	74
75	75	75
76	76	76
77	77	77
78	78	78
79	79	79
80	80	80
81	81	81
82	82	82
83	83	83
84	84	84
85	85	85
86	86	86
87	87	87
88	88	88
89	89	89
90	90	90
91	91	91
92	92	92
93	93	93
94	94	94
95	95	95
96	96	96
97	97	97
98	98	98
99	99	99
100	100	100

AMEX

Wednesday's 4 P.M. Close
The 150 most traded stocks of the day,
up to the closing on Wall Street.
The Associated Press.

[illegible]**NYSE**

Wednesday's 4 P.M. Close
(Continued)

[illegible]

THEY SAY THERE ARE NO HEROES
any more. But they're there.
Walk down any street and
you will find them. The
mothers who work, the fathers
who strive, the children who
overcome. They aren't larger
than life, but they are larger
than their own lives. Their
names aren't famous, but
their virtues are. Hard work.
Common sense. An unshakable
belief in themselves. If you're
looking for a hero, look around.

HUMAN ACHIEVEMENT



Merrill Lynch

ASIA/PACIFIC

In a Bet on China, BT Buys 20% of SmarTone

HONG KONG — SmarTone Telecommunications Holdings Ltd. and British Telecommunications PLC have announced a partnership that analysts said will provide them with a competitive edge in the anticipated opening of China's telecom market.

SmarTone said Wednesday it would issue 120.78 million new shares to BT's wholly-owned BT Asia Pacific Investments Ltd. at 25 Hong Kong dollars (\$3.23) each, giving BT 20 percent of SmarTone's enlarged share capital for 3.02 billion dollars (\$389.7 million).

"It is focused obviously on Hong Kong as a major hub and as part of Greater China," said Mark Smith, BT North East Asia's managing director.

"We are looking at how we will now expand together," BT plans to use SmarTone as a

vehicle for mobile phone and other services in Hong Kong. It also expects to use the company as its primary vehicle into China's wireless market, and to work with it in Taiwan.

"It is a very strong match of local savvy and global backing," said NiQ Lai, an analyst with Credit Suisse First Boston.

"It gives SmarTone credibility in terms of overseas investment and it gives BT the local culture to expand into Greater China."

British Telecom has plowed more than \$1 billion into the region over the past 12 months, and has major joint ventures in Japan, South Korea, Singapore, Malaysia, India and New Zealand.

"We prefer to take a significant stake in a company where that company brings to us the local skills," Mr. Smith said.

"We bring our global skills to

that and our technology skills."

With talks for China's entry into the World Trade Organization advancing, the SmarTone partnership may reap major benefits in mainland China, analysts said.

"I think the market opening is imminent, regardless of whether China gets into the WTO," Mr. Lai said.

SmarTone would bring its local culture and management skills to BT in a market where it was difficult to operate as a foreign investor, he said.

"I think BT would also want to work with Sun Hong Kai Properties," he said, referring to a Hong Kong blue-chip that is also a strategic shareholder in China Telecom (Hong Kong) Ltd.

Sun Hong Kai is SmarTone's largest shareholder, with a 26.34 percent stake after the BT deal. The deal provides SmarTone,

which faces fierce competition in the local mobile phone market, with a war chest of 4 billion dollars to invest at home and abroad, analysts said.

"It has got more cash than it can possibly use in Hong Kong," Mr. Lai said.

"They have made it clear that they would like to expand in Greater China."

In Hong Kong, SmarTone was likely to expand into other telecom services, said Derek Chan at Bear Stearns Asia.

"The partnership is a good one, especially if SmarTone were to enter into facilities-based local services, as well as international services in Hong Kong," Mr. Chan said. "I think investors have to get over this short-term hurdle — SmarTone as a pure cellular operator — and look at SmarTone more as a fully integrated telecoms service provider."

Tiny Stake In GM Goes To Suzuki

TOKYO — Suzuki Motor Corp. has acquired a small stake in General Motors Corp. to strengthen their alliance, the Japanese company said Wednesday.

Suzuki has bought 500,000 shares of GM valued at about 4.5 billion yen (\$37 million) for a 0.07 percent stake in the world's largest carmaker, said a Suzuki spokesman who declined to be named.

Last September, GM announced that it would increase its stake in the Japanese company to 10 percent, and Suzuki's acquisition of the American company's shares is intended to bolster their partnership, the spokesman said.

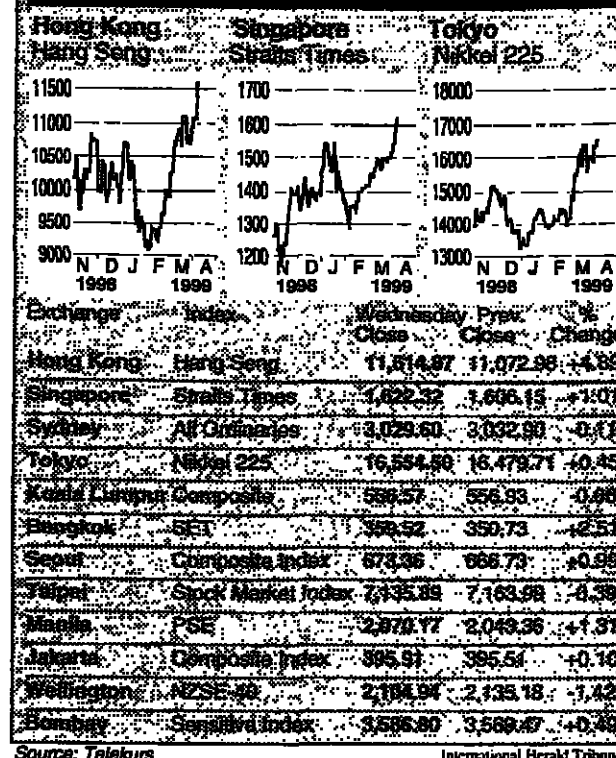
The two carmakers already have a joint venture in Canada and have been increasing co-ordination of their global manufacturing operations.

Suzuki has primary responsibility for the design and development of small and "mini" passenger vehicles, particularly in Asia. GM is responsible for midsize and large passenger vehicles.

Suzuki is Japan's largest manufacturer of mini-vehicles and the world's third-biggest motorcycle maker.

In another carmaker development, Mitsubishi Motor Co. and Mazda Motor Co., which is controlled by Ford, were reported to be negotiating to form a broad technological alliance.

Investor's Asia



Very briefly:

- Lion Nathan Ltd. signed an agreement to produce Brander Beck & Co.'s beer at its Suzhou, China plant.
- Marubeni Corp., one of the secured creditors of Philippine Airlines Inc., approved the carrier's rehabilitation plan, subject to conditions. But it warned that it would reject any amendment to the plan that adversely affected secured creditors.
- Samsung General Chemicals Co. will sell up to \$400 million of non-core businesses by the end of the year in order to pare its debt. In the first such sale, it sold its air separation unit to BOC Group PLC of Britain for \$35 million.
- Australia was the most expensive place to make a local phone call in the 12 months to Feb. 1, according to a survey by NUS International Pty., which compared the costs of three-minute phone calls in 12 countries.
- At Home Corp. will join with Jupiter Telecommunications and Sumitomo Corp. to provide high-speed Internet access through cable-TV lines in Japan.

Asia Stocks Rise as Investors Bank on Recovery

HONG KONG — Asia's stock markets are riding a wave of optimism about the region's improving economic outlook.

A rally continued Wednesday, led by a 4.89 percent gain in Hong Kong in the biggest one-day gain for the Hang Seng index in six months. Philippine stocks rose 1.31 percent, and Singapore stocks 1.01 percent.

In Tokyo, the Nikkei average edged up 0.45 percent to its highest level in nearly nine months. Prices in South Korea rose 0.99 percent, and Thailand's SET index rose 2.51 percent.

China's Shenzhen B stock market also joined in the rally, soaring 4.32 percent.

Some markets, however, failed to jump on the bandwagon. Shares in Taipei, Shanghai and Auckland slipped, and prices in Sydney and Kuala Lumpur fell back slightly after strong gains Tuesday.

"Overall market sentiment has improved from before the holidays as people are buying the recovery story of the region," said Herman Chu, a senior dealing manager at Anglo-Chinese Securities in Hong Kong.

Foreign investors in particular are banking on Asia's recovery as they are helping propel the region's market. Howard Gorges, a vice president at South China Brokerage, said foreign funds were returning to the Hong Kong market.

"The market is pretty strong, with gains across the board for blue-chip stocks as well as China-related shares," he said.

The Hang Seng index gained 541.89 points to close at 11,614.87, its highest level since March 24, 1998.

A drop in interest rates in several Asian nations is helping drive stock markets higher, particularly in Hong Kong.

HSBC Holdings PLC, the parent company of Hong Kong's two largest banks, and Sun Hong Kai Properties Ltd., the city's largest property developer, soared on hopes that lower mortgage rates may spur apartment sales.

In other markets, Japanese shares

were led by Mitsubishi Motors Corp. and Mazda Motor Corp. on expectations that an alliance would improve their competitiveness. Mitsubishi Motors added 6 percent to 458 yen (\$3.77), while Mazda climbed 6.1 percent to 472 yen.

In Singapore, the Straits Times Index rose 16.17 to 1,622.32 as bank shares surged on expectations that recent cuts in mortgage rates would spur home sales and loans.

(Bloomberg, Reuters, AFP)

■ **U.S. Companies to Expand**

Most U.S. companies in Asia plan to expand operations over the next two years as revenue and earnings in the crisis-hit region recover, a survey made available to Reuters showed.

Advertisement

For information please contact:
Lyons Fax: (33-1) 41 43 92 12 or e-mail: funds@ht.com

INTERNATIONAL FUNDS

Quotations supplied by fund groups to: STANDARD & POOR'S MORGAN, L33-41 43 92 09, e-mail: funds@morg.com

To receive free daily quotations for your funds subscribe at: funds@ht.com

April 7, 1999

<http://www.ift.com/INT/FUN/funds.html>

<p>101 MERRILL LYNCH AMER. INC. PTF.</p> <p>102 MERRILL LYNCH BANK STREET S.A.</p> <p>103 MERRILL LYNCH BANK STREET S.A.</p> <p>104 MERRILL LYNCH BANK STREET S.A.</p> <p>105 MERRILL LYNCH BANK STREET S.A.</p> <p>106 MERRILL LYNCH BANK STREET S.A.</p> <p>107 MERRILL LYNCH BANK STREET S.A.</p> <p>108 MERRILL LYNCH BANK STREET S.A.</p> <p>109 MERRILL LYNCH BANK STREET S.A.</p> <p>110 MERRILL LYNCH BANK STREET S.A.</p> <p>111 MERRILL LYNCH BANK STREET S.A.</p> <p>112 MERRILL LYNCH BANK STREET S.A.</p> <p>113 MERRILL LYNCH BANK STREET S.A.</p> <p>114 MERRILL LYNCH BANK STREET S.A.</p> <p>115 MERRILL LYNCH BANK STREET S.A.</p> <p>116 MERRILL LYNCH BANK STREET S.A.</p> <p>117 MERRILL LYNCH BANK STREET S.A.</p> <p>118 MERRILL LYNCH BANK STREET S.A.</p> <p>119 MERRILL LYNCH BANK STREET S.A.</p> <p>120 MERRILL LYNCH BANK STREET S.A.</p> <p>121 MERRILL LYNCH BANK STREET S.A.</p> <p>122 MERRILL LYNCH BANK STREET S.A.</p> <p>123 MERRILL LYNCH BANK STREET S.A.</p> <p>124 MERRILL LYNCH BANK STREET S.A.</p> <p>125 MERRILL LYNCH BANK STREET S.A.</p> <p>126 MERRILL LYNCH BANK STREET S.A.</p> <p>127 MERRILL LYNCH BANK STREET S.A.</p> <p>128 MERRILL LYNCH BANK STREET S.A.</p> <p>129 MERRILL LYNCH BANK STREET S.A.</p> <p>130 MERRILL LYNCH BANK STREET S.A.</p> <p>131 MERRILL LYNCH BANK STREET S.A.</p> <p>132 MERRILL LYNCH BANK STREET S.A.</p> <p>133 MERRILL LYNCH BANK STREET S.A.</p> <p>134 MERRILL LYNCH BANK STREET S.A.</p> <p>135 MERRILL LYNCH BANK STREET S.A.</p> <p>136 MERRILL LYNCH BANK STREET S.A.</p> <p>137 MERRILL LYNCH BANK STREET S.A.</p> <p>138 MERRILL LYNCH BANK STREET S.A.</p> <p>139 MERRILL LYNCH BANK STREET S.A.</p> <p>140 MERRILL LYNCH BANK STREET S.A.</p> <p>141 MERRILL LYNCH BANK STREET S.A.</p> <p>142 MERRILL LYNCH BANK STREET S.A.</p> <p>143 MERRILL LYNCH BANK STREET S.A.</p> <p>144 MERRILL LYNCH BANK STREET S.A.</p> <p>145 MERRILL LYNCH BANK STREET S.A.</p> <p>146 MERRILL LYNCH BANK STREET S.A.</p> <p>147 MERRILL LYNCH BANK STREET S.A.</p> <p>148 MERRILL LYNCH BANK STREET S.A.</p> <p>149 MERRILL LYNCH BANK STREET S.A.</p> <p>150 MERRILL LYNCH BANK STREET S.A.</p> <p>151 MERRILL LYNCH BANK STREET S.A.</p> <p>152 MERRILL LYNCH BANK STREET S.A.</p> <p>153 MERRILL LYNCH BANK STREET S.A.</p> <p>154 MERRILL LYNCH BANK STREET S.A.</p> <p>155 MERRILL LYNCH BANK STREET S.A.</p> <p>156 MERRILL LYNCH BANK STREET S.A.</p> <p>157 MERRILL LYNCH BANK STREET S.A.</p> <p>158 MERRILL LYNCH BANK STREET S.A.</p> <p>159 MERRILL LYNCH BANK STREET S.A.</p> <p>160 MERRILL LYNCH BANK STREET S.A.</p> <p>161 MERRILL LYNCH BANK STREET S.A.</p> <p>162 MERRILL LYNCH BANK STREET S.A.</p> <p>163 MERRILL LYNCH BANK STREET S.A.</p> <p>164 MERRILL LYNCH BANK STREET S.A.</p> <p>165 MERRILL LYNCH BANK STREET S.A.</p> <p>166 MERRILL LYNCH BANK STREET S.A.</p> <p>167 MERRILL LYNCH BANK STREET S.A.</p> <p>168 MERRILL LYNCH BANK STREET S.A.</p> <p>169 MERRILL LYNCH BANK STREET S.A.</p> <p>170 MERRILL LYNCH BANK STREET S.A.</p> <p>171 MERRILL LYNCH BANK STREET S.A.</p> <p>172 MERRILL LYNCH BANK STREET S.A.</p> <p>173 MERRILL LYNCH BANK STREET S.A.</p> <p>174 MERRILL LYNCH BANK STREET S.A.</p> <p>175 MERRILL LYNCH BANK STREET S.A.</p> <p>176 MERRILL LYNCH BANK STREET S.A.</p> <p>177 MERRILL LYNCH BANK STREET S.A.</p> <p>178 MERRILL LYNCH BANK STREET S.A.</p> <p>179 MERRILL LYNCH BANK STREET S.A.</p> <p>180 MERRILL LYNCH BANK STREET S.A.</p> <p>181 MERRILL LYNCH BANK STREET S.A.</p> <p>182 MERRILL LYNCH BANK STREET S.A.</p> <p>183 MERRILL LYNCH BANK STREET S.A.</p> <p>184 MERRILL LYNCH BANK STREET S.A.</p> <p>185 MERRILL LYNCH BANK STREET S.A.</p> <p>186 MERRILL LYNCH BANK STREET S.A.</p> <p>187 MERRILL LYNCH BANK STREET S.A.</p> <p>188 MERRILL LYNCH BANK STREET S.A.</p> <p>189 MERRILL LYNCH BANK STREET S.A.</p> <p>190 MERRILL LYNCH BANK STREET S.A.</p> <p>191 MERRILL LYNCH BANK STREET S.A.</p> <p>192 MERRILL LYNCH BANK STREET S.A.</p> <p>193 MERRILL LYNCH BANK STREET S.A.</p> <p>194 MERRILL LYNCH BANK STREET S.A.</p> <p>195 MERRILL LYNCH BANK STREET S.A.</p> <p>196 MERRILL LYNCH BANK STREET S.A.</p> <p>197 MERRILL LYNCH BANK STREET S.A.</p> <p>198 MERRILL LYNCH BANK STREET S.A.</p> <p>199 MERRILL LYNCH BANK STREET S.A.</p> <p>200 MERRILL LYNCH BANK STREET S.A.</p>	<p>201 MERRILL LYNCH BANK STREET S.A.</p> <p>202 MERRILL LYNCH BANK STREET S.A.</p> <p>203 MERRILL LYNCH BANK STREET S.A.</p> <p>204 MERRILL LYNCH BANK STREET S.A.</p> <p>205 MERRILL LYNCH BANK STREET S.A.</p> <p>206 MERRILL LYNCH BANK STREET S.A.</p> <p>207 MERRILL LYNCH BANK STREET S.A.</p> <p>208 MERRILL LYNCH BANK STREET S.A.</p> <p>209 MERRILL LYNCH BANK STREET S.A.</p> <p>210 MERRILL LYNCH BANK STREET S.A.</p> <p>211 MERRILL LYNCH BANK STREET S.A.</p> <p>212 MERRILL LYNCH BANK STREET S.A.</p> <p>213 MERRILL LYNCH BANK STREET S.A.</p> <p>214 MERRILL LYNCH BANK STREET S.A.</p> <p>215 MERRILL LYNCH BANK STREET S.A.</p> <p>216 MERRILL LYNCH BANK STREET S.A.</p> <p>217 MERRILL LYNCH BANK STREET S.A.</p> <p>218 MERRILL LYNCH BANK STREET S.A.</p> <p>219 MERRILL LYNCH BANK STREET S.A.</p> <p>220 MERRILL LYNCH BANK STREET S.A.</p> <p>221 MERRILL LYNCH BANK STREET S.A.</p> <p>222 MERRILL LYNCH BANK STREET S.A.</p> <p>223 MERRILL LYNCH BANK STREET S.A.</p> <p>224 MERRILL LYNCH BANK STREET S.A.</p> <p>225 MERRILL LYNCH BANK STREET S.A.</p> <p>226 MERRILL LYNCH BANK STREET S.A.</p> <p>227 MERRILL LYNCH BANK STREET S.A.</p> <p>228 MERRILL LYNCH BANK STREET S.A.</p> <p>229 MERRILL LYNCH BANK STREET S.A.</p> <p>230 MERRILL LYNCH BANK STREET S.A.</p> <p>231 MERRILL LYNCH BANK STREET S.A.</p> <p>232 MERRILL LYNCH BANK STREET S.A.</p> <p>233 MERRILL LYNCH BANK STREET S.A.</p> <p>234 MERRILL LYNCH BANK STREET S.A.</p> <p>235 MERRILL LYNCH BANK STREET S.A.</p> <p>236 MERRILL LYNCH BANK STREET S.A.</p> <p>237 MERRILL LYNCH BANK STREET S.A.</p> <p>238 MERRILL LYNCH BANK STREET S.A.</p> <p>239 MERRILL LYNCH BANK STREET S.A.</p> <p>240 MERRILL LYNCH BANK STREET S.A.</p> <p>241 MERRILL LYNCH BANK STREET S.A.</p> <p>242 MERRILL LYNCH BANK STREET S.A.</p> <p>243 MERRILL LYNCH BANK STREET S.A.</p> <p>244 MERRILL LYNCH BANK STREET S.A.</p> <p>245 MERRILL LYNCH BANK STREET S.A.</p> <p>246 MERRILL LYNCH BANK STREET S.A.</p> <p>247 MERRILL LYNCH BANK STREET S.A.</p> <p>248 MERRILL LYNCH BANK STREET S.A.</p> <p>249 MERRILL LYNCH BANK STREET S.A.</p> <p>250 MERRILL LYNCH BANK STREET S.A.</p> <p>251 MERRILL LYNCH BANK STREET S.A.</p> <p>252 MERRILL LYNCH BANK STREET S.A.</p> <p>253 MERRILL LYNCH BANK STREET S.A.</p> <p>254 MERRILL LYNCH BANK STREET S.A.</p> <p>255 MERRILL LYNCH BANK STREET S.A.</p> <p>256 MERRILL LYNCH BANK STREET S.A.</p> <p>257 MERRILL LYNCH BANK STREET S.A.</p> <p>258 MERRILL LYNCH BANK STREET S.A.</p> <p>259 MERRILL LYNCH BANK STREET S.A.</p> <p>260 MERRILL LYNCH BANK STREET S.A.</p> <p>261 MERRILL LYNCH BANK STREET S.A.</p> <p>262 MERRILL LYNCH BANK STREET S.A.</p> <p>263 MERRILL LYNCH BANK STREET S.A.</p> <p>264 MERRILL LYNCH BANK STREET S.A.</p> <p>265 MERRILL LYNCH BANK STREET S.A.</p> <p>266 MERRILL LYNCH BANK STREET S.A.</p> <p>267 MERRILL LYNCH BANK STREET S.A.</p> <p>268 MERRILL LYNCH BANK STREET S.A.</p> <p>269 MERRILL LYNCH BANK STREET S.A.</p> <p>270 MERRILL LYNCH BANK STREET S.A.</p> <p>271 MERRILL LYNCH BANK STREET S.A.</p> <p>272 MERRILL LYNCH BANK STREET S.A.</p> <p>273 MERRILL LYNCH BANK STREET S.A.</p> <p>274 MERRILL LYNCH BANK STREET S.A.</p> <p>275 MERRILL LYNCH BANK STREET S.A.</p> <p>276 MERRILL LYNCH BANK STREET S.A.</p> <p>277 MERRILL LYNCH BANK STREET S.A.</p> <p>278 MERRILL LYNCH BANK STREET S.A.</p> <p>279 MERRILL LYNCH BANK STREET S.A.</p> <p>280 MERRILL LYNCH BANK STREET S.A.</p> <p>281 MERRILL LYNCH BANK STREET S.A.</p> <p>282 MERRILL LYNCH BANK STREET S.A.</p> <p>283 MERRILL LYNCH BANK STREET S.A.</p> <p>284 MERRILL LYNCH BANK STREET S.A.</p> <p>285 MERRILL LYNCH BANK STREET S.A.</p> <p>286 MERRILL LYNCH BANK STREET S.A.</p> <p>287 MERRILL LYNCH BANK STREET S.A.</p> <p>288 MERRILL LYNCH BANK STREET S.A.</p> <p>289 MERRILL LYNCH BANK STREET S.A.</p> <p>290 MERRILL LYNCH BANK STREET S.A.</p> <p>291 MERRILL LYNCH BANK STREET S.A.</p> <p>292 MERRILL LYNCH BANK STREET S.A.</p> <p>293 MERRILL LYNCH BANK STREET S.A.</p> <p>294 MERRILL LYNCH BANK STREET S.A.</p> <p>295 MERRILL LYNCH BANK STREET S.A.</p> <p>296 MERRILL LYNCH BANK STREET S.A.</p> <p>297 MERRILL LYNCH BANK STREET S.A.</p> <p>298 MERRILL LYNCH BANK STREET S.A.</p> <p>299 MERRILL LYNCH BANK STREET S.A.</p> <p>300 MERRILL LYNCH BANK STREET S.A.</p>	<p>301 MERRILL LYNCH BANK STREET S.A.</p> <p>302 MERRILL LYNCH BANK STREET S.A.</p> <p>303 MERRILL LYNCH BANK STREET S.A.</p> <p>304 MERRILL LYNCH BANK STREET S.A.</p> <p>305 MERRILL LYNCH BANK STREET S.A.</p> <p>306 MERRILL LYNCH BANK STREET S.A.</p> <p>307 MERRILL LYNCH BANK STREET S.A.</p> <p>308 MERRILL LYNCH BANK STREET S.A.</p> <p>309 MERRILL LYNCH BANK STREET S.A.</p> <p>310 MERRILL LYNCH BANK STREET S.A.</p> <p>311 MERRILL LYNCH BANK STREET S.A.</p> <p>312 MERRILL LYNCH BANK STREET S.A.</p> <p>313 MERRILL LYNCH BANK STREET S.A.</p> <p>314 MERRILL LYNCH BANK STREET S.A.</p> <p>315 MERRILL LYNCH BANK STREET S.A.</p> <p>316 MERRILL LYNCH BANK STREET S.A.</p> <p>317 MERRILL LYNCH BANK STREET S.A.</p> <p>318 MERRILL LYNCH BANK STREET S.A.</p> <p>319 MERRILL LYNCH BANK STREET S.A.</p> <p>320 MERRILL LYNCH BANK STREET S.A.</p> <p>321 MERRILL LYNCH BANK STREET S.A.</p> <p>322 MERRILL LYNCH BANK STREET S.A.</p> <p>323 MERRILL LYNCH BANK STREET S.A.</p> <p>324 MERRILL LYNCH BANK STREET S.A.</p> <p>325 MERRILL LYNCH BANK STREET S.A.</p> <p>326 MERRILL LYNCH BANK STREET S.A.</p> <p>327 MERRILL LYNCH BANK STREET S.A.</p> <p>328 MERRILL LYNCH BANK STREET S.A.</p> <p>329 MERRILL LYNCH BANK STREET S.A.</p> <p>330 MERRILL LYNCH BANK STREET S.A.</p> <p>331 MERRILL LYNCH BANK STREET S.A.</p> <p>332 MERRILL LYNCH BANK STREET S.A.</p> <p>333 MERRILL LYNCH BANK STREET S.A.</p> <p>334 MERRILL LYNCH BANK STREET S.A.</p> <p>335 MERRILL LYNCH BANK STREET S.A.</p> <p>336 MERRILL LYNCH BANK STREET S.A.</p> <p>337 MERRILL LYNCH BANK STREET S.A.</p> <p>338 MERRILL LYNCH BANK STREET S.A.</p> <p>339 MERRILL LYNCH BANK STREET S.A.</p> <p>340 MERRILL LYNCH BANK STREET S.A.</p> <p>341 MERRILL LYNCH BANK STREET S.A.</p> <p>342 MERRILL LYNCH BANK STREET S.A.</p> <p>343 MERRILL LYNCH BANK STREET S.A.</p> <p>344 MERRILL LYNCH BANK STREET S.A.</p> <p>345 MERRILL LYNCH BANK STREET S.A.</p> <p>346 MERRILL LYNCH BANK STREET S.A.</p> <p>347 MERRILL LYNCH BANK STREET S.A.</p> <p>348 MERRILL LYNCH BANK STREET S.A.</p> <p>349 MERRILL LYNCH BANK STREET S.A.</p> <p>350 MERRILL LYNCH BANK STREET S.A.</p> <p>351 MERRILL LYNCH BANK STREET S.A.</p> <p>352 MERRILL LYNCH BANK STREET S.A.</p> <p>353 MERRILL LYNCH BANK STREET S.A.</p> <p>354 MERRILL LYNCH BANK STREET S.A.</p> <p>355 MERRILL LYNCH BANK STREET S.A.</p> <p>356 MERRILL LYNCH BANK STREET S.A.</p> <p>357 MERRILL LYNCH BANK STREET S.A.</p> <p>358 MERRILL LYNCH BANK STREET S.A.</p> <p>359 MERRILL LYNCH BANK STREET S.A.</p> <p>360 MERRILL LYNCH BANK STREET S.A.</p> <p>361 MERRILL LYNCH BANK STREET S.A.</p> <p>362 MERRILL LYNCH BANK STREET S.A.</p> <p>363 MERRILL LYNCH BANK STREET S.A.</p> <p>364 MERRILL LYNCH BANK STREET S.A.</p> <p>365 MERRILL LYNCH BANK STREET S.A.</p> <p>366 MERRILL LYNCH BANK STREET S.A.</p> <p>367 MERRILL LYNCH BANK STREET S.A.</p> <p>368 MERRILL LYNCH BANK STREET S.A.</p> <p>369 MERRILL LYNCH BANK STREET S.A.</p> <p>370 MERRILL LYNCH BANK STREET S.A.</p> <p>371 MERRILL LYNCH BANK STREET S.A.</p> <p>372 MERRILL LYNCH BANK STREET S.A.</p> <p>373 MERRILL LYNCH BANK STREET S.A.</p> <p>374 MERRILL LYNCH BANK STREET S.A.</p> <p>375 MERRILL LYNCH BANK STREET S.A.</p> <p>376 MERRILL LYNCH BANK STREET S.A.</p> <p>377 MERRILL LYNCH BANK STREET S.A.</p> <p>378 MERRILL LYNCH BANK STREET S.A.</p> <p>379 MERRILL LYNCH BANK STREET S.A.</p> <p>380 MERRILL LYNCH BANK STREET S.A.</p> <p>381 MERRILL LYNCH BANK STREET S.A.</p> <p>382 MERRILL LYNCH BANK STREET S.A.</p> <p>383 MERRILL LYNCH BANK STREET S.A.</p> <p>384 MERRILL LYNCH BANK STREET S.A.</p> <p>385 MERRILL LYNCH BANK STREET S.A.</p> <p>386 MERRILL LYNCH BANK STREET S.A.</p> <p>387 MERRILL LYNCH BANK STREET S.A.</p> <p>388 MERRILL LYNCH BANK STREET S.A.</p> <p>389 MERRILL LYNCH BANK STREET S.A.</p> <p>390 MERRILL LYNCH BANK STREET S.A.</p> <p>391 MERRILL LYNCH BANK STREET S.A.</p> <p>392 MERRILL LYNCH BANK STREET S.A.</p> <p>393 MERRILL LYNCH BANK STREET S.A.</p> <p>394 MERRILL LYNCH BANK STREET S.A.</p> <p>395 MERRILL LYNCH BANK STREET S.A.</p> <p>396 MERRILL LYNCH BANK STREET S.A.</p> <p>397 MERRILL LYNCH BANK STREET S.A.</p> <p>398 MERRILL LYNCH BANK STREET S.A.</p> <p>399 MERRILL LYNCH BANK STREET S.A.</p> <p>400 MERRILL LYNCH BANK STREET S.A.</p>	<p>401 MERRILL LYNCH BANK STREET S.A.</p> <p>402 MERRILL LYNCH BANK STREET S.A.</p> <p>403 MERRILL LYNCH BANK STREET S.A.</p> <p>404 MERRILL LYNCH BANK STREET S.A.</p> <p>405 MERRILL LYNCH BANK STREET S.A.</p> <p>406 MERRILL LYNCH BANK STREET S.A.</p> <p>407 MERRILL LYNCH BANK STREET S.A.</p> <p>408 MERRILL LYNCH BANK STREET S.A.</p> <p>409 MERRILL LYNCH BANK STREET S.A.</p> <p>410 MERRILL LYNCH BANK STREET S.A.</p> <p>411 MERRILL LYNCH BANK STREET S.A.</p> <p>412 MERRILL LYNCH BANK STREET S.A.</p> <p>413 MERRILL LYNCH BANK STREET S.A.</p> <p>414 MERRILL LYNCH BANK STREET S.A.</p> <p>415 MERRILL LYNCH BANK STREET S.A.</p> <p>416 MERRILL LYNCH BANK STREET S.A.</p> <p>417 MERRILL LYNCH BANK STREET S.A.</p> <p>418 MERRILL LYNCH BANK STREET S.A.</p> <p>419 MERRILL LYNCH BANK STREET S.A.</p> <p>420 MERRILL LYNCH BANK STREET S.A.</p> <p>421 MERRILL LYNCH BANK STREET S.A.</p> <p>422 MERRILL LYNCH BANK STREET S.A.</p> <p>423 MERRILL LYNCH BANK STREET S.A.</p> <p>424 MERRILL LYNCH BANK STREET S.A.</p> <p>425 MERRILL LYNCH BANK STREET S.A.</p> <p>426 MERRILL LYNCH BANK STREET S.A.</p> <p>427 MERRILL LYNCH BANK STREET S.A.</p> <p>428 MERRILL LYNCH BANK STREET S.A.</p> <p>429 MERRILL LYNCH BANK STREET S.A.</p> <p>430 MERRILL LYNCH BANK STREET S.A.</p> <p>431 MERRILL LYNCH BANK STREET S.A.</p> <p>432 MERRILL LYNCH BANK STREET S.A.</p> <p>433 MERRILL LYNCH BANK STREET S.A.</p> <p>434 MERRILL LYNCH BANK STREET S.A.</p> <p>435 MERRILL LYNCH BANK STREET S.A.</p> <p>436 MERRILL LYNCH BANK STREET S.A.</p> <p>437 MERRILL LYNCH BANK STREET S.A.</p> <p>438 MERRILL LYNCH BANK STREET S.A.</p> <p>439 MERRILL LYNCH BANK STREET S.A.</p> <p>440 MERRILL LYNCH BANK STREET S.A.</p> <p>441 MERRILL LYNCH BANK STREET S.A.</p> <p>442 MERRILL LYNCH BANK STREET S.A.</p> <p>443 MERRILL LYNCH BANK STREET S.A.</p> <p>444 MERRILL LYNCH BANK STREET S.A.</p> <p>445 MERRILL LYNCH BANK STREET S.A.</p> <p>446 MERRILL LYNCH BANK STREET S.A.</p> <p>447 MERRILL LYNCH BANK STREET S.A.</p> <p>448 MERRILL LYNCH BANK STREET S.A.</p> <p>449 MERRILL LYNCH BANK STREET S.A.</p> <p>450 MERRILL LYNCH BANK STREET S.A.</p> <p>451 MERRILL LYNCH BANK STREET S.A.</p> <p>452 MERRILL LYNCH BANK STREET S.A.</p> <p>453 MERRILL LYNCH BANK STREET S.A.</p> <p>454 MERRILL LYNCH BANK STREET S.A.</p> <p>455 MERRILL LYNCH BANK STREET S.A.</p> <p>456 MERRILL LYNCH BANK STREET S.A.</p> <p>457 MERRILL LYNCH BANK STREET S.A.</p> <p>458 MERRILL LYNCH BANK STREET S.A.</p> <p>459 MERRILL LYNCH BANK STREET S.A.</p> <p>460 MERRILL LYNCH BANK STREET S.A.</p> <p>461 MERRILL LYNCH BANK STREET S.A.</p> <p>462 MERRILL LYNCH BANK STREET S.A.</p> <p>463 MERRILL LYNCH BANK STREET S.A.</p> <p>464 MERRILL LYNCH BANK STREET S.A.</p> <p>465 MERRILL LYNCH BANK STREET S.A.</p> <p>466 MERRILL LYNCH BANK STREET S.A.</p> <p>467 MERRILL LYNCH BANK STREET S.A.</p> <p>468 MERRILL LYNCH BANK STREET S.A.</p> <p>469 MERRILL LYNCH BANK STREET S.A.</p> <p>470 MERRILL LYNCH BANK STREET S.A.</p> <p>471 MERRILL LYNCH BANK STREET S.A.</p> <p>472 MERRILL LYNCH BANK STREET S.A.</p> <p>473 MERRILL LYNCH BANK STREET S.A.</p> <p>474 MERRILL LYNCH BANK STREET S.A.</p> <p>475 MERRILL LYNCH BANK STREET S.A.</p> <p>476 MERRILL LYNCH BANK STREET S.A.</p> <p>477 MERRILL LYNCH BANK STREET S.A.</p> <p>478 MERRILL LYNCH BANK STREET S.A.</p> <p>479 MERRILL LYNCH BANK STREET S.A.</p> <p>480 MERRILL LYNCH BANK STREET S.A.</p> <p>481 MERRILL LYNCH BANK STREET S.A.</p> <p>482 MERRILL LYNCH BANK STREET S.A.</p> <p>483 MERRILL LYNCH BANK STREET S.A.</p> <p>484 MERRILL LYNCH BANK STREET S.A.</p> <p>485 MERRILL LYNCH BANK STREET S.A.</p> <p>486 MERRILL LYNCH BANK STREET S.A.</p> <p>487 MERRILL LYNCH BANK STREET S.A.</p> <p>488 MERRILL LYNCH BANK STREET S.A.</p> <p>489 MERRILL LYNCH BANK STREET S.A.</p> <p>490 MERRILL LYNCH BANK STREET S.A.</p> <p>491 MERRILL LYNCH BANK STREET S.A.</p> <p>492 MERRILL LYNCH BANK STREET S.A.</p> <p>493 MERRILL LYNCH BANK STREET S.A.</p> <p>494 MERRILL LYNCH BANK STREET S.A.</p> <p>495 MERRILL LYNCH BANK STREET S.A.</p> <p>496 MERRILL LYNCH BANK STREET S.A.</p> <p>497 MERRILL LYNCH BANK STREET S.A.</p> <p>498 MERRILL LYNCH BANK STREET S.A.</p> <p>499 MERRILL LYNCH BANK STREET S.A.</p> <p>500 MERRILL LYNCH BANK STREET S.A.</p>
--	---	---	---

CATHAY PACIFIC

HONG KONG SUPERSTOP

FROM US\$25

A NIGHT

The Cathay Pacific Superstop is a special offer for guests staying at the Cathay Pacific Hotel in Hong Kong. It includes a complimentary breakfast, a complimentary room service, and a complimentary taxi to the airport. The offer is available for guests staying in the hotel from April 10 to April 15, 1999. The price is US\$25 per person, including tax and service charge. The offer is subject to availability and is not valid for bookings made less than 14 days before departure.

WORLD ROUNDUP



Richard Krajicek hitting a backhand to Takao Suzuki.

Rafter Tumbles

TENNIS Pat Rafter, the world No. 5, continued his dismal run Wednesday when he lost in the first round of the Hong Kong Open. Rafter fell, 6-7 (4-7), 7-6 (7-1), 6-2, to Bernd Karbacher. Rafter has a 6-7 record in 1999. In another match, Richard Krajicek beat Takao Suzuki, 6-4, 6-4. (AP)

• Sonya Jeyaseelan, a Canadian ranked 140th, came from behind in both sets Tuesday to beat Venus Williams, 6-4, 7-6 (8-6), in the second round of the Bausch & Lomb Championship at Amelia Island, Florida. (Reuters)

Redskins Bid Withdrawn

FOOTBALL Howard Milstein withdrew his \$800 million bid Wednesday to buy the Washington Redskins when it became apparent his group lacked support from NFL owners. The bid from the New York property developer was the highest ever for a U.S. sports franchise. The league expects Milstein's partner, Daniel Snyder, to make another bid with a different group, leading to another round of bidding. (AP)

Big-League Salaries Rise

BASEBALL The average major-league salary has risen nearly 20 percent in 12 months. The average was above \$1.7 million a year on opening day, up from \$1.44 million at the start of last season, according to The Associated Press, which studied the contracts of 830 players on opening-day rosters.

Albert Belle, the Baltimore outfielder, was the highest-paid player on opening day for the third straight season, earning \$11,949,794.

The New York Yankees, the defending champions, had the highest payroll ever, \$85.1 million. (AP)

Australia Retains Trophy

CRICKET Australia beat the West Indies by 177 runs to win the fourth and final test in Antigua on Wednesday. The Australians leveled the series at 2-2 and retained the Frank Worrell Trophy, which they have held since 1995. (AP)

New Olympic Diplomats

The International Olympic Committee said Wednesday that Henry Kissinger, the former U.S. secretary of state, Peter Ueberroth, the head of the 1984 Games, and Anita DeFranz, an IOC vice president from the United States, had accepted appointments to a panel to restructure the IOC in the wake of the Salt Lake bribery case. (AP)

Sabres Gain Playoff Spot

ICE HOCKEY The Buffalo Sabres clinched a playoff berth with a 4-3 victory against the New York Islanders in New York on Tuesday. Buffalo moved into a tie for seventh with Boston in the Eastern Conference, one point behind Philadelphia and Pittsburgh. (AP)

Tiger Is Not No. 1, but He Likes His Chances at Augusta

By Clifton Brown
New York Times Service

AUGUSTA, Georgia — At Tiger Woods' news conference the first question referred to David Duval.

It was a different atmosphere from last year, when Woods arrived at the Masters as the defending champion, the clear-cut favorite and the center of attention. Since then, the spotlight has shifted. Mark O'Meara has replaced Woods as the reigning Masters champion. Duval recently replaced Woods as the world's No. 1-ranked player. And Duval, with four victories already this year, has replaced Woods as the favorite this weekend.

So as Woods prepared for Thursday's opening round at Augusta National Golf Club, motivation was not a problem. Woods is not a No. 2 kind of guy. For

many reasons, he wants another green jacket, and if he has to stare down Duval on Sunday to get it, so be it.

"If I'm in the lead with nine holes to go, I like my chances," Woods said Tuesday. "David's not going to play as Tiger vs. me, and I'm not playing against David. I've got to play against the golf course as well as the rest of the field."

"If we're tied for the lead with nine holes to go, then that's the way it is. I would be nice to play against the best player in the world right now. But if it doesn't happen, and I can still win, a win's a win. I'll take a second green jacket anytime."

Woods won in 1997 by a record-setting 12 strokes, setting a tournament record (270) in the process. He makes no secret of scheduling his year, and his life, around the year's four major championships. He has money, he has fame, but what he wants most from his career is a place in history, and winning majors is the path to that goal.

Instead of defending his title at the BellSouth Classic, which Duval won, Woods spent last week at home, working with his coach, Butch Harmon, and mentally preparing for this week's challenge.

But Woods appeared far more relaxed than last year, when he finished tied for eighth place and seemed burdened by the weight of defending his championship.

"I think he'll be a lot more comfortable at Augusta this year," Harmon said recently. "But like he has said before, he enjoyed putting the green jacket on Mark last year. This year, he'd like Mark to put the green jacket back on him."

For that to happen, there are two keys for Woods: driving accurately and making

ing putts. His length off the tee gives him a tremendous advantage at Augusta, with its wide fairways. But if Woods drives the ball erratically, he will have trouble attacking the fast and undulating greens, where positioning is crucial.

Secondly, Woods has not putted recently with the precision and confidence he showed in 1997, when he played the Masters without a three-putt. In the past 18 months, Woods has had 18 top-10 finishes, but only two victories. A few more made putts would have equaled a few more victories.

"It's frustrating from the standpoint that I was playing well, but not getting the victories," Woods said. "It hasn't been one of those stretches where I'm making shots at the right times. But I'm more consistent all around."

Augusta remains a place that plays to

Woods' strengths. Having seen the changes at Augusta — the new trees at No. 2 and No. 17, the new green at No. 11, and the new trees at No. 15 — Woods says he believes the course favors longer hitters even more.

What Woods wants is to play well enough to at least give himself a chance on Sunday. Having won at Augusta before, Woods believes he can handle the pressure.

"That gives you confidence down the stretch, when you're a little nervous, hands sweating, eyeballs beating," he said. "You can summon enough strength to do it, because you've done it before."

"It's a major, a little different story than playing the regular tour event. I really grind and get ready. Because that's really what it's all about — winning the big ones."

Augusta remains a place that plays to

Parma Gives Madrid Coach Tough Return

Compiled by Our Staff From Dispatches

"Welcome home Radomir" read the banners draped around Atletico Madrid's stadium.

But Parma ensured that Radomir Antic's first home match in his second spell as coach at Atletico was less than triumphant.

The Italian team won the UEFA Cup semifinal first leg, 3-1, Tuesday. Twelve



Marseille's Robert Pires, right, battling with Bologna's Giuseppe Signori.

months ago, Atletico lost, 2-1, to Lazio at home in a UEFA Cup semifinal, a defeat that contributed to Antic's dismissal at the end of last season. Antic returned two weeks ago after Arrigo Sacchi and Carlos Aguirre had come and gone since last summer. In his first game, Atletico drew at Coruna.

On Tuesday, exhilarating attacking play could not make up for fatal lapses in concentration and poor defending. Enrico Chiesa scored twice for Parma. Juninho scored Atletico's only goal but also missed a penalty after 73 minutes.

"The players made a great effort. We had had luck with two of the goals coming from corners," Antic said.

In Marseille, Bologna, seeking its first trophy in 25 years, earned a 0-0 draw against Marseille in the first leg of its UEFA Cup semifinal.

The match was largely fought out in midfield, and both teams mostly were restricted to long-range efforts.

Bologna's defense was too well-organized for an unimaginative Marseille team. Bologna had several opportunities to score an away goal, the best of them early in the game when Davide Fontolan forced Marseille goalkeeper Stephane

Porato to make a dramatic save.

ENGLAND Arsenal missed a penalty and had a player sent off, but still beat Blackburn, 1-0, to close within one point of leader Manchester United in the Premier League.

Dennis Bergkamp scored the only goal three minutes before half time after a free kick. He took the kick, but his shot struck the defensive wall at knee-level. When the ball rebounded to him, Bergkamp struck a left-foot shot into the far corner of the goal.

Martin Keown, an Arsenal defender, was sent off in the 69th minute. It was the ninth time an Arsenal player has been ejected this season.

In the 83d minute, Bergkamp was pulled down by Keith Gillespie, who was ejected. Bergkamp took the penalty but John Folan saved it. (AP, Reuters)

Players to Try Referee's Shoes?

Gerdner Aigner, the secretary general of UEFA, the governing body of European soccer, suggested in the UEFA newsletter Wednesday that soccer players should have to pass a referee test before signing their first professional contract.

Agence France-Presse reported. Aigner said players should then have to referee one youth match a month to make them realize how difficult it is to be a referee and how hard it is to detect cheating.

A Tough Guy Prepares For Rumble to Roubaix

By Samuel Abt
International Herald Tribune

PARIS — Because Frederic Moncassin has a bad back, one of the last things he ought to be doing this week is bouncing along on a bicycle over cobblestoned roads and feeling the jolts roll up his arms, through his shoulders and into his lumber region.

"Oof," he said, referring to his ride last Sunday in the Tour of Flanders over 16 cobblestoned hills. "Too hard. I had to drop out." Nevertheless, he came back for more pounding Wednesday in the Ghent-Wevelgem race in Belgium. On Sunday he will face the ultimate jolting: the 97th Paris-Roubaix classic, which includes 51.5 kilometers (32 miles) of cobblestones in its total of 273 kilometers. That's more than twice the distance over cobblestones as in both races in Belgium combined.

"I'm looking forward to Paris-Roubaix, of course," Moncassin said on the phone this week from Ghent, where his Credit Agricole team was staying before it moved down to France for Paris-Roubaix. "At least it's flat, not like all those hills in the Tour of Flanders."

"It's my favorite race," the Frenchman continued. "Always has been. Every French boy dreams of winning the Tour de France and Paris-Roubaix."

Since he is neither a strong climber nor a rapid time trialer, Moncassin will never come close to winning the Tour, although in 1996 he did wear the overall leader's yellow jersey for a day during the first week's flat stages.

Paris-Roubaix is a different story for a rider known for his aptitude for the cold and rainy races of Belgium and northern France. It's a tough man's race — most of the top 20 in the sport will skip it — and

Moncassin, for all his friendliness and habitual cheerfulness, is a tough man.

The 30-year-old Frenchman has come close to victory in Paris-Roubaix, finishing eighth twice, 11th once and fifth last year when a teammate, Magnus Backstedt, a Swede, paced him for a long part of the day, letting Moncassin ride in his slipstream and save his energy.

Teamwork is vital in Paris-Roubaix, where a minor rider often has to give a wheel or even his bicycle to a leader after one of the many crashes and flat tires that always mark the race. But this year Moncassin will not be a protected leader.

As he admitted, his condition is not what it should be, and the team will concentrate its attentions on Stuart O'Grady, an Australian. "O'Grady has top form, is going strong," Moncassin said. "Me, I'm only moderate."

The problem is his back, which he injured late last spring when he crossed the finish line in the Four Days of Dunkirk race and collided with a photographer who was standing in a prohibited zone.

The crash was just another in a list of jinxes. In 1994, he twisted a foot while coming down from the platform where teams in the Tour de France were being introduced the night before the race began; the result was a tendon injury that prevented him from starting. In 1997, in an early sprint finish of the Tour, he was first head-butted by Erik Zabel, a German, and then skulled by a water bottle thrown at him by Tom Steels, a Belgian, in the mistaken assumption that Moncassin had interfered with him; Zabel was deprived of his victory and Steels was expelled from the race. The rattled Moncassin never again was a factor in sprints.

In his best year, 1996, Moncassin was one of the top French sprinters, registering four victories that included the sprinters' crown jewel, the Tour de France stage into Bordeaux.

But the next year, and every year since, victory has evaded him. Despite seven second places, including the vaunted Tour of Flanders, and nine third places, including the equally prestigious Milan-San Remo classic, he was zero for 1997 and 1998 in the win column.

This season has started no better. "Maybe Sunday," he said, sounding unconvinced.

His teammates are pulling for him. "A really good fellow," O'Grady calls Moncassin. In a country not remarked for its friendliness to foreigners, Moncassin has helped many of them on his own and other teams to settle near him in the south.

Tough men like him, these friends will also be riding in Paris-Roubaix, battling the dust of its country roads if the weather is dry or the mud if it rains.

Like Moncassin, they know the golden rule for riding Paris-Roubaix: "Try to avoid crashes," he said. "Flats, you can't prevent on all those cobblestones."

"All those cobblestones," he repeated, and even over the phone he could be heard shuddering.

Despite War Worries, Divac Is Tearing Up the Court

The Associated Press

Vlade Divac's days and nights are filled with worry over loved ones in his native Yugoslavia. Yet somehow, he is playing his best basketball.

Since the NATO bombing began on March 24, the Sacramento Kings center

has played seven games and is averaging 14.3 points, 7.7 assists and 13 rebounds. He can't explain it.

"I have no energy. I don't feel good, yet I play good," Divac said. "There is no explanation."

His thoughts are far away. "The thing that is killing me is that I am powerless in the whole situation," he said. "My parents tell me not to worry, but it is hard."

Divac had 11 points, 10 assists and 14 rebounds as the Kings beat the Seattle SuperSonics, 112-106, Tuesday night.

His reverse layup with 1:33 left in overtime gave the Kings the lead for good.

Divac is Serbian. He said he has operated on two hours' sleep a night while checking on his family and monitoring as many news accounts as he can.

His parents live near Belgrade and his brother lives in the capital. He is trying to arrange for transportation of his 4-year-old niece to the United States. "My brother told me that every time the alarms go off she starts crying," Divac said.

He said that he has friends from Kosovo who are ethnic Albanians and that he grieves for the whole area.

"War never solves the problem," Divac said. "I keep praying that somehow it will end soon."

Before, Rockets' Allen Iverson, playing his first game since a heated exchange with his coach, Larry Brown, scored 27 points in 46 minutes as Philadelphia won for the third time in 10 games.

Iverson and Brown exchanged words on the sideline Friday against Cleveland. Iverson didn't play the second half of that game and missed a game Sunday in Toronto because of a thigh injury. The guard and the coach made up Monday, and Iverson made a surprise return Tuesday night against visiting Milwaukee.

Jazz 106, Lakers 93 Karl Malone sprained his left knee, but still was 12-for-12 from the field and scored 30 points to lead Utah to victory in Los Angeles in a game in which elbows flew and tempers flared. Shaquille O'Neal and Dennis Rodman of the Lakers were given technical fouls, and the Utah coach, Jerry Sloan, was ejected.

Heat 92, Raptors 70 Alonzo Mourning had 20 points, 13 rebounds and seven blocked shots as Miami snapped Toronto's six-game winning streak and nine-game home winning streak.

Cavaliers 96, Bulls 89 Shawn Kemp scored 25 points, and Brevin Knight had 19 points and 15 assists as Cleveland beat visiting Chicago.

Magic 81, Knicks 72 Penny Hardaway had 30 points, 10 rebounds and eight assists as Orlando beat the Knicks in New York.

Nets 97, Wizards 93 Stephon Marbury had 29 points and six assists as New Jersey spoiled the debut of Jim Brovelli, Washington's interim head coach. It was the Nets' third victory in 18 road games.

Rockets 111, Warriors 74 Hakeem Olajuwon had 18 points and 11 rebounds as Houston rolled to its biggest victory of the season and its ninth straight at home.

Trail Blazers 98, Grizzlies 89 Walt Williams, Isaiah Rider and Rasheed Wallace all scored 15 points as Portland beat visiting Vancouver.

Suns 88, Clippers 83 Jason Kidd and Cliff Robinson scored 22 each as Phoenix beat the Clippers in Los Angeles.

scored 25 points, and Brevin Knight had 19 points and 15 assists as Cleveland beat visiting Chicago.

Magic 81, Knicks 72 Penny Hardaway had 30 points, 10 rebounds and eight assists as Orlando beat the Knicks in New York.

Nets 97, Wizards 93 Stephon Marbury had 29 points and six assists as New Jersey spoiled the debut of Jim Brovelli, Washington's interim head coach. It was the Nets' third victory in 18 road games.

Rockets 111, Warriors 74 Hakeem Olajuwon had 18 points and 11 rebounds as Houston rolled to its biggest victory of the season and its ninth straight at home.

Trail Blazers 98, Grizzlies 89 Walt Williams, Isaiah Rider and Rasheed Wallace all scored 15 points as Portland beat visiting Vancouver.

Suns 88, Clippers 83 Jason Kidd and Cliff Robinson scored 22 each as Phoenix beat the Clippers in Los Angeles.

FINANCIAL SERVICES

Funding Problems?
Fax BANCOR Today!
1(800) 310-9284
www.bco.com.ph

Announcements

Herald Tribune

SUBSCRIBER CUSTOMER SERVICE:
For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers:
EUROPE, MIDDLE EAST AND AFRICA:
TOLL FREE - Australia 0500 912000; Belgium 0800 4 448 7827; Denmark 0800 4 448 7827; Germany 0800 4 448 7827; Greece 0800 4 448 7827; Hong Kong 0800 4 448 7827; India 0800 4 448 7827; Ireland 0800 4 448 7827; Italy 0800 4 448 7827; Japan 0800 4 448 7827; Korea 0800 4 448 7827; Luxembourg 0800 4 448 7827; Malaysia 0800 4 448 7827; Mexico 0800 4 448 7827; New Zealand 0800 4 448 7827; Norway 0800 4 448 7827; Singapore 0800 4 448 7827; South Africa 0800 4 448 7827; Sweden 0800 4 448 7827; Switzerland 0800 4 448 7827; Taiwan 0800 4 448 7827; Thailand 0800 4 448 7827; United Kingdom 0800 4 448 7827; USA 1-800-368-3683; Venezuela 0800 4 448 7827.
TOLL FREE - Australia 0500 912000; Belgium 0800 4 448 7827; Denmark 0800 4 448 7827; Germany 0800 4 448 7827; Greece 0800 4 448 7827; Hong Kong 0800 4 448 7827; India 0800 4 448 7827; Ireland 0800 4 448 7827; Italy 0800 4 448 7827; Japan 0800 4 448 7827; Korea 0800 4 448 7827; Luxembourg 0800 4 448 7827; Malaysia 0800 4 448 7827; Mexico 0800 4 448 7827; New Zealand 0800 4 448 7827; Norway 0800 4 448 7827; Singapore 0800 4 448 7827; South Africa 0800 4 448 7827; Sweden 0800 4 448 7827; Switzerland 0800 4 448 7827; Taiwan 0800 4 448 7827; Thailand 0800 4 448 7827; United Kingdom 0800 4 448 7827; USA 1-800-368-3683; Venezuela 0800 4 448 7827.

Legal Services

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sydney, NSW 1570. Tel: 078443-8387. Fax: 078443-0183.

Business Opportunities

OFFSHORE COMPANIES: For free brochure or advice Tel: London 44 181 741 1224 Fax 44 181 741 6339/6338 www.aplgroup.co.uk

TELECOMMUNICATIONS

Callback
New Lower Rates!
Call the U.S. from:
France.....20¢
Germany.....21¢
Italy.....25¢
Japan.....21¢
U.K.....15¢

No Deposit • No Minimum
No Set Up Fees • No VAT

Instant Activation
Itemized 6-Second Billing
24-Hour Customer Service

Agents call 1.206.479.2816

Tel: 1.206.376.1962
U.S.: 1.800.955.1626
Fax: 1.206.376.1953
www.callback.com
Email: info@callback.com

Business Services

YOUR OFFICE IN LONDON
Bond Street • Mail, Phone, Fax, Telex
Tel: 44 171 229 5000 Fax: 44 171 489 7517

Real Estate for Rent

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6380 Fax: +41 22 736 2671

Paris Area Furnished

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 3 months or more or furnished residential areas.
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 83 37 68

Internet address:

<http://www.ihf.com>

Residential Real Estate

Appears every Friday in The Intermark.

To advertise contact
Sonya Broadhead
in our London office.
Tel: +44 171 510 5725
Fax: +44 171 987 3462
or your nearest IHT office
or representative.

Escorts & Guides

SWITZERLAND-GERMANY
BELGIUM-LUXEMBOURG-UK
+31-20-427 28 27
Zurich-Geneva-Basel-St. Gallen
Frankfurt-Munich-Cologne-Bonn
Düsseldorf-Munich-Hamburg-Berlin
Bremen-Aachen • Luxembourg
• TRAVEL SERVICE WORLDWIDE

LONDON: (0)171-978 6606
COSMOS Escort Agency • Credit Cards

international ESCORTS
WORLDWIDE

World's top international handles
New York US Tel: 212-765-7896
OFFICE@INTL-ESCORTS.COM

MODEL LINK
FORGET ALL YOU FELT BEFORE
IMAGINE SOMETHING DIFFERENT
+44 (0) 7000 822 822
The official escort company

ELITE ESCORT SERVICE • ISTANBUL

EUROPEAN JET SET • VIENNA • PARIS
RIVIERA • BRUSSELS • LONDON • VIENNA
COTE D'AZUR • DUSSELDORF • LONDON
Tel: +36 (0)35 016 0438 Credit Cards

EUROCONTACT INTL
PARIS • VIENNA • GENEVA • ZURICH
RIVIERA • BRUSSELS • LONDON • VIENNA
COTE D'AZUR • DUSSELDORF • LONDON
Tel: +41-44-171 510 5727
Fax: +44-171 510 5727
or your nearest IHT office or representative.

CHelsea ESCORT SERVICE
51 Beaufort Place, London SW1
Tel: 0171-494 6513

ALL EUROPE HEADS HIGH SOCIETY
Vienna, Paris, Rome, Moscow,
Zurich, Geneva, Frankfurt, Düsseldorf
International Escort & Travel Service
Vienna +43-1-535 41 04 all credit cards

PARIS

GENEVA Escorts +41 78 637 7894

MILAN
ESCORT SERVICE +39 (0)39 412214

PARIS ESCORTS
+33-1-578-9221

ZURICH - GENEVA - BERLIN
HAMBURG - FRANKFURT - MILAN
• CARMEN ESCORT AGENCY •
Tel: 0041-948 80 70 77 • Credit Cards

AMANDA
Private Escort Service
London 0800 573 820

ASIAN EUROPEAN MODEL "MILAN"
ITALY/SWITZERLAND/FRANCE/GERMANY
Escort Service. Tel: +39(0)39 498 8504

BARCELONA & MADRID & All Spain
Hot & exclusive, high class service.
Tel: 625 708 076. All Cards

BEAUTIFUL YOUNG BRAZILIAN

Exotic Exotic Exotic
London Escort Service 081 378 589

BLACK BEAUTY ESCORT SERVICE
Exotic Exotic Exotic & Friendly
London & Heathrow. 01812039827/01812039827

GENEVA PRETTY WOMAN
Call 022 / 346 00 88 Escort Agency
LAUSANNE-MONTEUX-BASEL

ITALIAN GENTLEMAN ESCORT SERVICE
for women, understanding. Tel: 0044
(0)498 728890

JAN BEK HOLLAND ESCORT CLUB
For her and the Escort service since
1987. Tel: +31(0)20 622 2789/420 3827

MADRID GLAMOUR
TOP CLASS Escort Service. English
Before midnight. Tel: +34(91) 738 638

MADRID-PRISTINE-BARCELONA THE BEST
EXCLUSIVE ESCORT SERVICE
CREDIT CARDS. Tel: +34(91) 683638

NEW STUNNING & CHARMING BLONDE
Private Escort Service
London. Tel: 0171 584 9877

STUNNING ELITE MODEL - Blonde
Very Discreet Escort Service
(V.P. Only) 0797 403 5784

"ZURICH"
Caroline Escort Service
Tel: 079 / 403 30 81

SPORTS

\$80 Million Mo Vaughn Hurt Chasing a Pop-Up

Despite Loss of Slugger, Angels Beat Indians

The Associated Press
Mo Vaughn's debut with the Anaheim Angels took an odd twist when he sprained his left ankle chasing a pop-up into the dugout.

Vaughn hurt himself two batters into the home opener Tuesday night, limped around for five innings and then left in the Angels' 6-5 victory over the Cleveland Indians.

X-rays showed no break. It is not certain how long Vaughn, the slugger who signed a six-year, \$80 million contract as a free agent during the winter, will be sidelined.

The Angels, with a long history of bizarre injuries, lost the shortstop Gary DiSarcina in a spring-training accident. He broke his forearm when he was hit by a fungo bat swung by George Hendrick, a coach, and is now on the disabled list with the center fielder Jim Edmonds.

Vaughn was injured when he landed awkwardly in the Indians' dugout trying to catch a foul pop by Omar Vizquel. The first baseman went 0 for 2 before he left

the game. Tim Salmon and Garret Anderson hit consecutive home runs off Jarret Wright in the Anaheim fourth.

Vizquel had a two-run homer and a run-scoring single for the Indians.

Vaughn 7, Athletics 4, Orlando (El Duque) Hernandez pitched three-hit ball for seven innings as New York won on Oakland.

New York got off to a quick start when Chuck Knoblauch led off the game with a single. Derek Jeter followed with a triple and Paul O'Neill hit a sacrifice fly.

Chad Curtis homered in his first at-bat of the season, and Hernandez protected the lead thereafter. The Athletics scored three times in the eighth to make it 5-4, but O'Neill hit a two-run double in the ninth.

White Sox 11, Mariners 3 Ray Durham led off the game with a home run, and Darrin Jackson and Jeff Abbott also connected for Chicago in Seattle.

Jackson homered for the second straight day and had four hits. Frank Thomas went 3-for-4 and drove in two runs, as he did on Opening Day.

Twins 6, Blue Jays 1 Brad Radke made



David Wells, a Toronto pitcher, blowing a bubble at pregame ceremonies.

good on Minnesota's "guarantee" of a victory — had the Twins lost their opener at home, all 45,601 fans would have been able to get a free ticket to another game.

Jim Fregosi lost in his debut as Toronto manager.

The pinch-hitter Brent Gates' two-run triple capped a six-run seventh. The Twins started four of their 10 rookies. After the game, the manager Tom Kelly put his young team through a brief fielding workout.

Rangers 6, Tigers 0 Aaron Sele came through with another strong April start as Texas shut down Detroit.

Sele, who had a 6.46 earned run average in five spring-training games, pitched seven innings and allowed six hits.

He is 14-3 lifetime in April, including 5-0 last year.

Sele and the relievers Tim Lincecum and Danny Patterson combined on a shutout a day after the Tigers won, 11-5, on Opening Day.

Maddux Swats a Homer As Braves Beat Phillies

The Associated Press

For a change, Greg Maddux liked being involved in a home run.

The four-time Cy Young Award winning pitcher doesn't give up that many — an average of just nine per season over the last five years.

On Wednesday, he hit one as the Atlanta Braves beat the visiting Phil-

adelphia Phillies, 11-3. "It was just flat out luck," said Maddux, who homered leading off an eight-run fourth and hit a two-run single later in the inning.

"It got us pumped up," Brian Jordan said. "No one expected it, and he really hit it a long way."

"The two-run single. That was lucky, too," Maddux said. "It just found a hole."

Maddux, a .178 hitter, set a career high with three runs batted in — one short of his total last season in 75 at-bats.

The homer off Chad Ogea was the third of Maddux's career, and his first since 1992.

Maddux allowed one run and eight hits in six innings. Derrin Ebert made his

major league debut and pitched three innings for a save, allowing two runs.

Sheffield hit a one-out homer in the 10th inning to give Los Angeles the victory at Dodger Stadium.

Astros 4, Cubs 2 Sammy Sosa went 0-for-4 and struck out three times in his 1999 debut, and Houston got consecutive fourth-inning homers from Carl Everett and Richard Hidalgo as it began its final season in the Astrodome.

Padres 4, Rockies 3 Tony Gwynn had two hits and scored twice, and Wally Joyner was 3-for-4 as the NL champions played their first game in San Diego this season. Sterling Hitchcock allowed one run and three hits in 5 1/3 innings.

Mets 12, Marlins 3 Mike Piazza hit a two-run homer, and Rick Reed allowed one run and four hits in six innings at Miami. Allen Watson pitched three innings for his first major league save.

Giants 7, Reds 6 Barry Bonds homered, singled and doubled home the go-ahead run in the eighth, as San Francisco rallied from a 6-0 deficit to win in Cincinnati.

Pirates 8, Expos 2 Jason Schmidt allowed one hit in seven innings, and Brian Giles homered and drove in three runs as Pittsburgh beat visiting Montreal.

SCOREBOARD

BASKETBALL

NBA STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

Team	W	L	Pct.	GB
------	---	---	------	----

Orlando	26	10	.722	—
---------	----	----	------	---

Atlanta	22	13	.629	4
---------	----	----	------	---

Washington	17	16	.515	7 1/2
------------	----	----	------	-------

Charlotte	13	20	.394	11 1/2
-----------	----	----	------	--------

New York	9	24	.273	15 1/2
----------	---	----	------	--------

Indiana	22	11	.667	—
---------	----	----	------	---

Philadelphia	18	15	.545	4 1/2
--------------	----	----	------	-------

Washington	17	16	.515	7 1/2
------------	----	----	------	-------

Cleveland	17	15	.531	5
-----------	----	----	------	---

Chicago	10	24	.294	13
---------	----	----	------	----

Western Conference	W	L	Pct.	GB
--------------------	---	---	------	----

Utah	22	11	.667	—
------	----	----	------	---

San Antonio	23	10	.697	1 1/2
-------------	----	----	------	-------

Houston	20	12	.625	4 1/2
---------	----	----	------	-------

Minnesota	11	23	.324	14 1/2
-----------	----	----	------	--------

Dallas	10	25	.286	15 1/2
--------	----	----	------	--------

Vancouver	6	28	.179	19
-----------	---	----	------	----

Pacific Conference	W	L	Pct.	GB
--------------------	---	---	------	----

Portland	27	6	.818	—
----------	----	---	------	---

L.A. Lakers	22	13	.629	5 1/2
-------------	----	----	------	-------

Phoenix	16	17	.485	11
---------	----	----	------	----

San Jose	14	19	.423	13 1/2
----------	----	----	------	--------

Sacramento	15	19	.441	12 1/2
------------	----	----	------	--------

Golden State	14	20	.412	13 1/2
--------------	----	----	------	--------

L.A. Clippers	3	29	.094	24
---------------	---	----	------	----

Midwest Division	W	L	Pct.	GB
------------------	---	---	------	----

Philadelphia	18	23	.439	—
--------------	----	----	------	---

Charlotte	17	24	.413	1 1/2
-----------	----	----	------	-------

P. Hornets	9	22	.293	10 1/2
------------	---	----	------	--------

Rockets	14	20	.412	13 1/2
---------	----	----	------	--------

Trail Blazers	14	20	.412	13 1/2
---------------	----	----	------	--------

Timberwolves	14	20	.412	13 1/2
--------------	----	----	------	--------

Grizzlies	14	20	.412	13 1/2
-----------	----	----	------	--------

Warriors	14	20	.412	13 1/2
----------	----	----	------	--------

Knicks	14	20	.412	13 1/2
--------	----	----	------	--------

Pacers	14	20	.412	13 1/2
--------	----	----	------	--------

Heat	14	20	.412	13 1/2
------	----	----	------	--------

76ers	14	20	.412	13 1/2
-------	----	----	------	--------

Magics	14	20	.412	13 1/2
--------	----	----	------	--------

Wizards	14	20	.412	13 1/2
---------	----	----	------	--------

Bobcats	14	20	.412	13 1/2
---------	----	----	------	--------

Knicks	14	20	.412	13 1/2
--------	----	----	------	--------

Pacers	14	20	.412	13 1/2
--------	----	----	------	--------

Heat	14	20	.412	13 1/2
------	----	----	------	--------

76ers	14	20	.412	13 1/2
-------	----	----	------	--------

Magics	14	20	.412	13 1/2
--------	----	----	------	--------

Wizards	14	20	.412	13 1/2
---------	----	----	------	--------

Bobcats	14	20	.412	13 1/2
---------	----	----	------	--------

Knicks	14	20	.412	13 1/2
--------	----	----	------	--------

Pacers	14	20	.412	13 1/2
--------	----	----	------	--------

Heat	14	20	.412	13 1/2
------	----	----	------	--------

76ers	14	20	.412	13 1/2
-------	----	----	------	--------

Magics	14	20	.412	13 1/2
--------	----	----	------	--------

Wizards	14	20	.412	13 1/2
---------	----	----	------	--------

Bobcats	14	20	.412	13 1/2
---------	----	----	------	--------

Knicks	14	20	.412	13 1/2
--------	----	----	------	--------

Pacers	14	20	.412	13 1/2
--------	----	----	------	--------

Heat	14	20	.412	13 1/2
------	----	----	------	--------

76ers	14	20	.412	13 1/2
-------	----	----	------	--------

Magics	14	20	.412	13 1/2
--------	----	----	------	--------

Wizards	14	20	.412	13 1/2
---------	----	----	------	--------

Bobcats	14	20	.412	13 1/2
---------	----	----	------	--------

Knicks	14	20	.412	13 1/2
--------	----	----	------	--------

Pacers	14	20	.412	13 1/2
--------	----	----	------	--------

Heat	14	20	.412	13 1/2
------	----	----	------	--------

76ers	14	20	.412	13 1/2
-------	----	----	------	--------

Magics	14	20	.412	13 1/2
--------	----	----	------	--------

Wizards	14	20	.412	13 1/2
---------	----	----	------	--------

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

Team	W	L	Pct.	GB
------	---	---	------	----

Boston	1	0	1.000	—
--------	---	---	-------	---

New York	1	0	1.000	—
----------	---	---	-------	---

Tampa Bay	0	1	.000	1 1/2
-----------	---	---	------	-------

Toronto	0	1	.000	1 1/2
---------	---	---	------	-------

Central Division	W	L	Pct. <td>GB</td>	GB
------------------	---	---	------------------	----

Chicago	2	0	1.000	—
---------	---	---	-------	---

St. Louis	1	0	1.000	—
-----------	---	---	-------	---

Cleveland	0	1	.000	1 1/2
-----------	---	---	------	-------

Kansas City	0	1	.000	1 1/2
-------------	---	---	------	-------

West Division	W	L	Pct. <td>GB</td>	GB
---------------	---	---	------------------	----

Anaheim	1	0	1.000	—
---------	---	---	-------	---

California	1	0	1.000	—
------------	---	---	-------	---

Parched	0	1	.000	1 1/2
---------	---	---	------	-------

Lancaster	0	1	.000	1 1/2
-----------	---	---	------	-------

San Jose	0	1	.000	1 1/2
----------	---	---	------	-------

San Francisco	0	1	.000	1 1/2
---------------	---	---	------	-------

San Diego	0	1	.000	1 1/2
-----------	---	---	------	-------

Los Angeles	0	1	.000	1 1/2
-------------	---	---	------	-------

Arizona	0	1	.000	1 1/2
---------	---	---	------	-------

Colorado	0	1	.000	1 1/2
----------	---	---	------	-------

Seattle	0	1	.000	1 1/2
---------	---	---	------	-------

Portland	0	1	.000	1 1/2
----------	---	---	------	-------

Vancouver	0	1	.000	1 1/2
-----------	---	---	------	-------

Calgary	0	1	.000	1 1/2
---------	---	---	------	-------

Edmonton	0	1	.000	1 1/2
----------	---	---	------	-------

Winnipeg	0	1	.000	1 1/2
----------	---	---	------	-------

Saskatoon	0	1	.000	1 1/2
-----------	---	---	------	-------

Regina	0	1	.000	1 1/2
--------	---	---	------	-------

Brandon	0	1	.000	1 1/2
---------	---	---	------	-------

Winnipeg	0	1	.000	1 1/2
----------	---	---	------	-------

Saskatoon	0	1	.000	1 1/2
-----------	---	---	------	-------

Regina	0	1	.000	1 1/2
--------	---	---	------	-------

Brandon	0	1	.000	1 1/2
---------	---	---	------	-------

Winnipeg	0	1	.000	1 1/2
----------	---	---	------	-------

Saskatoon	0	1	.000	1 1/2
-----------	---	---	------	-------

ART BUCHWALD

The Giddiness of It All

NEW YORK — There was a time when only J.P. Morgan was a financial genius. Now that the Dow Jones is hovering around 10,000, everyone considers himself or herself a genius.

Dinner at the Glocksman's is typical of what is going on in America's living rooms.

Beach, who usually bored us with the details of his most recent golf game said, "I bought 100 shares of Bethlehem Steel. Buchwald sold 89 shares of No Fizz Water and told my broker to go after Crucible Windows if it hit 30."

Dubow said, "I'm in mutual funds, but I'd like to get into something more comfortable."

I asked a woman at the party, "What do you do?" "I buy soy beans and use my profits to invest in sugar futures."

"Where do you do that?" "On my computer at home. I might make 15 transactions a day. The trick is to keep looking at your screen until it's time to hit the sell button."

"Are you making a lot of money?" "At the moment I'm in the red, but there's always tomorrow."

□

The conversation came around to how many geniuses were playing the market — not just brokers and investment bankers, but taxi drivers and people who sell hot dogs in ball parks and telephone salesmen and airline porters.

"Suppose the Dow Jones goes down," I said.

"It won't go down," Beach said. "As long as inflation is bottoming out and pork bellies are going through the roof, we all stand to make a fortune."

"Why?"

"Because financially, as a group, we're the best and the brightest."

New Clues in Search for Velazquez

The Associated Press

MADRID — Historians poring over brittle, yellowing plans say they have located the remains of the Spanish master painter Velazquez — give or take a few meters.

If confirmed, the discovery would fit in nicely with officials' hopes of marking this year's 400th anniversary of Velazquez's birth by giving his bones a more elegant resting place than under a street in central Madrid.

This much has been known for centuries: Diego Rodriguez de Silva Velazquez, who died in 1660, was buried in a vault beneath the Church of St. John on the site of today's Ramblas Square, near the Royal Palace.

The church was torn down in 1808, when Napoleonic forces ruled Spain. Archaeologists have dug twice to try to find the Velazquez crypt — in 1845 and in 1960, but were unsuccessful. The reason, the historian Manuel Montero Vallejo told El Pais newspaper, is that the maps they were using were slightly off. Montero Vallejo, leading a team of independent historians, says with blueprints of the church and other centuries-old documents they have pinpointed the burial site to within two meters.

Behind the Mask of Mrs. Vladimir Nabokov

By Katherine Knorr

International Herald Tribune

PARIS — Vladimir Nabokov was, if not necessarily a true eccentric, certainly an eccentric mix of intellectual and frondeur, an exquisite writer, an exacting reader, a raconteur of doubtful stories, a committed lepidopterist, a brilliant mind and something of a child. Those who knew him remember also the mysterious eccentricities of his marriage, in which his wife, Vera, protected him from publishers, fans and family, sat through his famous college lectures as prompter and blackboard eraser — and indeed much of the time acted almost as his double.

Writers' wives form a literary subgenre all their own: There are the saints with the souls of secretaries and the sinners who entertain the great man's thirst, there are the decorative ones, the vernal ones, the political ones, the prison guards and the budding biographers, and of course there are the ones who believe they really wrote the books.

Mrs. Vladimir Nabokov, as she signed herself, fit into none of these categories. She was from the beginning a symbiotic partner to her husband, who became absolutely necessary to his art.

This is not, as Vera Nabokov would have been the first to say, to diminish his genius, simply to acknowledge that their extraordinary relationship, both emotional and intellectual, gave him the room and the atmosphere to create a body of work that depended on the minutiae of memory and exquisite, cosmopolitan games of language and mirrors.

"It was clear to me she was the greatest influence on the greatest or one of the greatest writers of the century," said Stacy Schiff, the author of "Vera (Mrs. Vladimir Nabokov)," to be published this month in the United States and Europe, on Nabokov's 100th birthday. "When people talked about her they made it clear she was

remarkable, but they didn't seem to know much about her."

If they knew little about her, it was because the Nabokovs played a complicated game of masks and shadows (as he did in his books) that shielded their private lives.

He was, of course, by profession an embroiderer, and she a sometimes painfully frank woman who preferred to leave much unsaid. (When she gave birth to their son, Dmitri, in 1934, it came as a shock to almost all who knew her, so well had she hidden the pregnancy.) She was beautiful, sharp-edged, disputatious, tireless, tough and practical. She did the driving, she carried a gun.

"Everybody thought she was ferocious," said Schiff, speaking by telephone from New York, "but she was very shy" and spent a lot of her life trying to avoid meeting new people. "Different people saw a different woman. I wanted to keep that intact." Vera lived in camouflage — she was even in camouflage physically when, as fate would have it, her blond hair suddenly turned a stunning white. "People were fascinated by her looks," Schiff said. "That young translucent skin and the white hair."

"Early on I realized that writing about Vera was an oblique — and very revealing — angle from which to approach V.N.," she said. "To begin to pry these two apart was to reveal the figure in the carpet. Insofar as we read biography to connect art and life, Vera was the crucial link. Her story might not reveal new layers in the art, but it would tell us a great deal about her husband."

She was born Vera Evseevna Slonim in 1902 in St. Petersburg. As with the Nabokov family, the Slonims fled the Bolsheviks. They were both raised in solid comfort but unlike Nabokov, whose family was part of the high Russian gentry, Vera was a Jew, the daughter of a lawyer who became a tile manufacturer and a lumber merchant and who fought the Russian bu-



Vera and Vladimir Nabokov in Switzerland in 1968.

reaucacy for 13 years for the right of permanent residency in St. Petersburg. It was denied.

The Nabokovs married in 1925 in Berlin, beginning the long shared exile in Germany and France. After much of the hideous suspense associated with Nansen passports (for refugees) and marching Germans, they left for the United States in 1940.

For the next 15 years they were nomads in America, where Vladimir (reluctantly) taught literature classes so memorable that former Wellesley and Cornell students many years later formed what Schiff called a "Greek chorus," describing the quirky and brilliant man with a roving eye and an ever-present wife whom he referred to as his "assistant." "This couple made an amazing impression," she said.

"Lolita," published in the United States in 1955 and an almost

immediate best-seller, changed their lives forever.

In retrospect, it is startling to remember, both the celebrity that "Lolita" brought the Nabokovs and the speed with which it became a classic after being rejected in disgust by a number of American publishers. "There was a real discrepancy between what publishing people thought would work and what the American public was ready for," Schiff said. "Maybe we were better readers in the '50s. People were so sensitive to how gorgeously the book was written."

If Vera was, as Schiff put it metaphorically, "essentially a woman who spent her life in a room" — typing, translating, writing stinging letters — she was not a victim. It was a life she chose, for love not only of Nabokov but of literature, of the mind.

Her work was in being Mrs.

Vladimir Nabokov, his best critic and a fierce literary agent. She drove him, motel after motel, across the America he was to reproduce in "Invitation of a Beulah." She shared his passion for butterflies, and they perch, wings elegantly trembling, throughout his books. "She took a very traditional female role and made it what she wanted it to be," Schiff said. She survived her husband for 14 years, protecting the legacy and the legends until her death in Switzerland in 1991.

"The book, it seemed to me, amounted as much to a portrait of the Nabokovs as to an essay about the limits of biography," said Schiff, who previously published a biography of the French writer and aviator Antoine de Saint-Exupéry. "Things were rarely what they seemed, and when they were no one believed it. This play of mirrors often seemed right out of V.N.'s fictions."

What Vera Nabokov might have thought of this book is anyone's guess. She appreciated people who appreciated Nabokov, and she would have noticed Schiff's close reading and maybe even enjoyed the way her masks could not all be removed.

Nabokov himself made biographers the butt of many of his sharpest portraits. Even the more gentle mockery goes after the biographer's "art." In "Speak Memory," he remembered himself as a young man playing a prescient game: "For instance, Lidia or I might say, on the terrace after supper: 'The writer liked to go out on the terrace after supper,' or 'I shall always remember the remark V.V. made one warm night: 'It is,' he remarked, 'a warm night.' Or still sillier: 'He was in the habit of lighting his cigarette before smoking it,' and all this delivered with much pensive, reminiscent fervor which seemed hilarious and harmless to us at the time, but now — now I catch myself wondering if we did not disturb unwittingly some perverse and spiteful demon."

PEOPLE



Johnny Cash, fourth from right, and friends singing at his tribute concert.

THE singer and songwriter Johnny Cash gave a rousing performance at a television tribute, the first time he has appeared on stage since being diagnosed with a degenerative nerve disease. The 67-year-old singer delivered his well-known hit "Folsom Prison Blues" and, as a finale, "I Walk the Line." Joining him were musicians who have performed with Cash over his long career, including his wife, June Carter Cash, Willie Nelson, Kris Kristofferson, Trisha Yearwood, Brooks & Dunn, Chris Isaak, Marty Stuart, Lyle Lovett, Emmylou Harris, Sheryl Crow, Mary Chapin Carpenter, Wyckliffe Jean, Dave Matthews and the Mavericks. Cash was diagnosed in late 1997 with Shy-Drager syndrome, which attacks the central nervous system. The tribute will be shown on Turner Network Television on April 18.

□

The eccentric basketball star Dennis Rodman and his wife, Carmen Electra, an actress, have called their marriage quits — again. Their publicist said that they had agreed to end their six-month

marriage under amicable circumstances and that they had filed divorce papers in court on Tuesday. They were married in Las Vegas on Nov. 14 after what was reported to be an all-night drinking session. Nine days later, Rodman filed for an annulment, saying he was of unsound mind when he recited his vows. But at a news conference in February, Rodman said he and his wife were happily married, living in separate homes.

□

Ewan McGregor says playing the young Obi-Wan Kenobi in the new "Star Wars" movie wasn't all swords and special effects. Some of the filming was "the epitome of tedium," the actor is quoted as saying in the London newspaper The Express. "The work was so complex with all the special effects and stuff that I found myself hanging around for days," he said. "I was frowning a lot. It became just a frowning exercise." The George Lucas movie, "Star Wars: Episode I — The Phantom Menace," is the first installment in the three-part prequel to the blockbuster space trilogy.

It comes out next month. Boredom didn't stop McGregor from signing up for the two other "Star Wars" movies that are to be completed by 2005. "I guess I'm just an actor who can't say no. Besides, there's nothing cooler than being a Jedi knight," he said.

□

The former heavyweight boxing

champ Mike Tyson, who is serving a prison sentence for assault, may have picked up his rival Evander Holyfield's ear for music. Tyson has created his own music label under the DefJam rap house, the New York Daily News reported. Holyfield, who lost a piece of his ear to Tyson's ferocious bite in a 1997 match, recently launched his own Real Deal Record label.

U.S. Opens a Film Preservation Project

The Associated Press

WASHINGTON — The National Film Preservation Foundation and the National Endowment for the Arts have announced a \$1.5 million project to preserve hundreds of movies, such as Paul Robeson's "The Emperor Jones" and Frank Capra's World War II series "Why We Fight."

The Treasures of American Film Archives is being financed by the foundation, the endowment and the Pew Charitable Trusts in Philadelphia. The American Film Institute and other industry groups have also contributed. Seventeen archives will take part, including five federal agencies.

Other films to be preserved are a collection from the laboratories of Thomas A. Edison, footage taken by the anthropologist Margaret Mead and some taken of the Duke Ellington Orchestra from 1938 to 1941 by the baritone saxophonist Harry Carney.



(kick off your shoes)

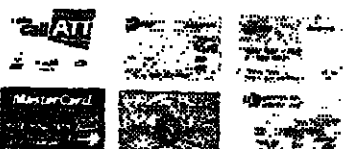
and use AT&T Direct® Service.

With the world's most powerful network, you get fast, clear, reliable connections from anywhere. Plus you'll always have the option of an operator who speaks your language.

At it takes 5 your AT&T Calling Card or credit card, and you're well on your way. Without a care in the world.

Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial your card number.



AT&T Access Numbers			
Austria.....	022-902-011	Greece.....	00-800-1311
Belgium.....	0-800-100-10	Ireland.....	1-800-550-000
Czech Republic.....	00-42-000-101	Israel.....	1-800-94-94-94
Egypt (Cairo).....	010-0200	Italy.....	172-1011
France.....	0-800-99-0011	Netherlands.....	0800-022-9111
Germany.....	0800-2225-288	Russia (Moscow).....	755-5042
For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at: www.att.com/usa/			

For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at: www.att.com/traveler



It's all within your reach.

Credit card calling subject to availability. Payment terms subject to your credit card agreement. Sales-tax countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. Pay phone deposit. Limited availability. Calling available to most countries. Public phones require local coin payment during the call. *Dial "02" first, outside Cairo. Additional charges apply outside Moscow. Use U.S. access number in Ireland. *If call does not complete, use 0900-013-0011. ©1999 AT&T